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Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

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June 24, 2008

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn of Administration
500 West Temple
Los Angeles, CA 90012

Dear Supervisors:

**DEPARTMENT OF HEALTH SERVICES: APPROVAL OF A NEW AGREEMENT
FOR MAGNETIC RESONANCE IMAGING SERVICES WITH
INSIGHT HEALTH SERVICES CORP.
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

CIO RECOMMENDATION: APPROVE [X]

SUBJECT

Request approval of a new Agreement with InSight Health Corp. to provide Magnetic Resonance Imaging services to patients at four County health facilities, the remodeling of the building and the construction of new modular buildings at three of these facilities; installation of new Magnetic Resonance Imaging scanners, and interface the Magnetic Resonance Imaging system to the County's Healthcare Information System. InSight will also provide open Magnetic Resonance Imaging services only, to patients of LAC+USC Medical Center.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the projects at Harbor-UCLA (HUMC), Olive View-UCLA (OVMC) Medical Centers, Martin Luther King, Jr., Multi-Service Ambulatory Care Center (MLK MACC), and Rancho Los Amigos National Rehabilitation Center (RLANRC) are each categorically exempt from the California Environmental Quality Act (CEQA) for the reasons set forth in this letter and in the record for the projects.

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEY YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

2. Authorize and instruct the Interim Director of Health Services (Director), or his designee, to sign a new Agreement, substantially similar to Exhibit I, with InSight Health Corp. (InSight) for the provision of Magnetic Resonance Imaging (MRI) services to patients of HUMC, OVMC, RLANRC, and MLK MACC and for the provision of open MRI services to patients of LAC+USC Medical Center (LAC+USC) for a fee per MRI scan of \$546.10, effective July 1, 2008 through June 30, 2018. The Agreement requires InSight to construct three new modular buildings at OVMC, MLK MACC, and RLANRC, remodel an existing building at HUMC, install new MRI scanners at HUMC, OVMC, RLANRC, and MLK MACC which will interface with the Department of Health Services (DHS) County's Healthcare Information System (HIS), and provide physician billing services for the physician component of the MRI services for certain patients with third party coverage. The estimated cost for the technical component of providing MRI patient care services for the ten year period, excluding the cost of additional system interfaces and equipment upgrades and physician billing, is \$69,637,477.
3. Delegate authority to the Director, or his designee, to enter into new ground leases, substantially similar to Exhibit II, with InSight for the lease of County land at OVMC, MLK MACC, and RLANRC on which the new modular buildings will be constructed, and to negotiate and execute a new building lease with InSight at HUMC, on which a County-owned building that will be remodeled by InSight is located, all leases to run concurrently with the Agreement. At each of the facilities, the leases shall be for a nominal payment.
4. Delegate authority to the Director, or his designee, to amend the Agreement with InSight throughout the term of the Agreement to expand the Statement of Work for additional system interfaces and equipment upgrades, and to expend up to \$150,000 per fiscal year (FY), to ensure necessary and timely upgrades required for optimal patient diagnoses, subject to review and approval by County Counsel, the Chief Information Office (CIO), the Chief Executive Office (CEO) and notification of Board offices.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

In approving the recommended actions, the Board is authorizing the Director, or his designee, to sign a new Agreement for the provision of MRI patient care services at HUMC, MLK MACC, OVMC and RLANRC, including the provision of open MRI studies which will be conducted off-site to the patients of the four facilities and LAC+USC. The Department is recommending your Board's approval of a new long term Agreement with

InSight to ensure the continued provisions of MRI patient care services at HUMC, MLK MACC, OVMC and RLANRC, to facilitate the construction and remodeling of buildings and structures as required and to perform MRI studies with new MRI scanners and with system improvements. The proposed new Agreement is a global Agreement with all five facilities, to provide for the standardized administration and rates for the provision of MRI services. The day-to-day administration of the Agreement will still occur at the facility level.

The Scope of Work under the Agreement will include the construction of modular buildings at MLK MACC, OVMC, and RLANRC, the remodeling of an existing building at HUMC, installation of new MRI scanners, and clinical operations and management of the technical component of the MRI services provided to patients, all of which will be included in the \$546.10 per scan price.

The Agreement does not include the provision of the physician component of the MRI scans, in which the scan is read by a radiologist. The physician component will be provided by the County for County patients. InSight will perform billing services on behalf of the County to collect payments from third-party payers such as Medicare, Medi-Cal and private insurers for MRI reads performed by County radiologists in certain circumstances, at a cost to the County of eight percent of the amount collected. Eight percent is consistent with market rates for these services.

The average life cycle of a modular building is 15 years and the County's modular buildings for MRI services at these facilities are at least 17 to 20 years old. The scanners will be equipped with the latest technology enhancements, including a Picture Archival and Communications System (PACS) and Radiology Information System (RIS). Both systems will interface with each DHS facility's HIS and radiology PACS.

The MRI scanners will have Digital Imaging and Communications In Medicine capability to produce PACS electronic images, that will interface with HIS for the implementation of the electronic storage of patient examinations and RIS procedure reports. PACS will eliminate the need for the physical storage of MRI images, related processing chemicals, reduce duplication of patient MRI procedures, reduce the turnaround time for obtaining MRI diagnoses and findings and provide improved patient care treatment.

The MRI enterprise effort from HUMC, MLK MACC, OVMC and RLANRC are aligned with the DHS' strategic plan to: 1) improve the value (quality and efficiency) of health care provided by DHS, 2) simplify and automate DHS processes for patients and medical departments, 3) reduce the disparity in patient care, and 4) consolidate multiple purchasing functions, operations and Agreements within individual facilities into a single purchasing function, operation and Agreement.

County Counsel has approved Exhibits I and II as to use and form.

Implementation of Strategic Plan Goals

The recommended Board actions support Goal 1, "Service Excellence," and Goal 7, "Health and Mental Health" of the County Strategic Plan by improving the quality and efficiency of DHS health care delivery system.

FISCAL IMPACT/FINANCING

The Agreement does not require the County to expend any funds up front for the construction/remodeling of the MRI Centers, or for the purchase of MRI equipment. Instead, InSight will charge the County \$546.10 per scan for County patients for the technical component of the MRI services. The estimated cost for the technical component of providing MRI patient care services for the ten year period, excluding the cost of additional system interfaces and equipment upgrades and physician billing, is \$69,637,477. The current agreements do not have a fee per scan rate at all facilities and each facility pays different scan rates based on volumes, increments and cost of living adjustments from an average or range of \$750 to \$1,200.00 per scan.

It is also requested that the Board delegate to the Department the authority to revise the Scope of Work and expend up to an additional \$150,000 per year for additional system interfaces and equipment upgrades, which are anticipated to be necessary during the ten-year term of the agreement, subject to review and approval by County Counsel, the CIO and the CEO, and Board notification.

Upon termination of the current agreement with InSight for services at HUMC, ownership of the building in which the MRI center is housed will revert to the County. The County will lease this building to InSight. InSight will own the buildings that will be constructed at MLK-MACC, OVMC and RLANRC during the ten-year term of the Agreement, and ownership of the buildings, fixtures and furniture will revert to the County at the end of the contract term. InSight will retain ownership of the MRI scanners and IT equipment. InSight will remove at its sole cost, the existing modular buildings at MLK MACC and RLANRC. DHS has expressed an interest in retaining the modular building at OVMC. InSight has agreed to donate to the County the existing OVMC modular building once the replacement modular building is complete.

The County has the right to terminate this Agreement any or all of the facilities with 120 days advance notice. The \$546.10 per-scan price, however, is based in part upon the assumption that InSight will recoup its construction costs at each facility over the ten-year term of the Agreement. Therefore, the Agreement provides that if the County terminates InSight's MRI services at any facility, the County will be required to pay InSight the unamortized cost of InSight's improvements, excluding equipment costs, as set forth in the schedule at Exhibit I.

Funding is included in the Department's FY 2008-09 Proposed Budget and will be requested in future FYs as required. Any increase implemented under delegated authority will be funded within existing resources.

FACTS AND PROVISIONAL/LEGAL REQUIREMENTS

For over 20 years, the provision of contracted MRI services has been provided through separate sole source Agreements with InSight at HUMC, MLK, OVMC, RLANRC, and LAC+USC. InSight constructed the modular buildings at each facility, installed the equipment, provided maintenance and the overall management of day-to-day MRI patient care operations.

Since 1982, the High Desert Health System (HDHS) has contracted with several providers in the Antelope Valley area for the provisions of MRI services. MRI services for HDHS patients in the Antelope Valley are provided at the contractor's facilities, which are in close proximity to HDHS.

On May 8, 2007, the Board approved a nine month extension for HUMC, OVMC, RLANRC, MLK MACC, and LAC+USC, effective July 1, 2007 through March 31, 2008, to continue the provision of the MRI services for all five County facilities.

On March 11, 2008, DHS extended the five Amendments for MRI services for 12 months until negotiations for the new Agreement are completed. On June 3, 2008, DHS terminated for convenience agreements Nos. 58260, H-203001, H-200969, H-203002, for the provision of MRI services at HUMC, OVMC, RLANRC, and MLK MACC, effective June 30, 2008, since this Agreement will supersede the existing agreements. InSight has agreed to waive the required 30 day notice period and agrees with the termination.

LAC+USC is in the process of establishing its own MRI facility, so InSight will not operate an MRI center at LAC+USC under the new Agreement. InSight will continue to provide MRI services at LAC+USC under the current contract, Agreement No. 58266, until LAC+USC's MRI facility is operational. That contract is scheduled to terminate on March 30, 2009, but may be terminated earlier upon 30 day written notice.

Patients with claustrophobia, who are morbidly obese and very young pediatric patients sometimes require access to open MRI studies, which will not be available at either the InSight MRI centers at HUMC, MLK MACC, OVMC and RLANRC or at LAC+USC's new MRI facility. InSight will provide access to open MRIs at an off-site facility in close proximity to the various facilities at the standardized \$546.10 per scan price.

While the Agreement covers InSight's provision of MRI services to County-referred patients, InSight provides and will continue to provide services to non-County patients at the MRI centers as well. Approximately 50 percent of the patients at RLANRC and eight percent at OVMC and HUMC are private, non-County patients. InSight's pricing to the County is based upon the assumption that the MRI centers will generate the added revenue to InSight from private patients.

InSight may contract with County radiologists to read scans for private patients, but only if they do so outside of their County employment. Therefore, the Department will require County radiologists who read private scans to agree to indemnify and hold the County harmless for any liability and to maintain malpractice insurance to cover their liability. In addition, the radiologists will only read private scans when they have completed their County shift or on an off work day. These measures should help minimize, if not entirely eliminate, potential County liability arising out of professional services which may be provided to private, non-County patients.

InSight's license requires that a radiologist be on the premises whenever a patient requires the administration of contrast media in connection with an MRI scan. This radiologist need not be present for or participate in the patient's scan. Because County radiologists will be present at the MRI centers to read scans for County patients, these County radiologists will act in the capacity of "contrast supervisor" for both County and private patients. These radiologists will be required to ensure that their malpractice policy will cover liability arising from private work although it will be performed while the radiologist is on his or her County workshift. The Department believes that the pricing benefit of allowing InSight to provide services to private patients outweighs the potential risk exposure posed by the performance of "contrast supervisor" work for private patients during County workshift hours.

CONTRACTING PROCESS

On December 1, 2006, a Request for Information was released for MRI services at four facilities, HUMC, MLK MACC, OVMC and RLANRC. LAC+USC was not part of the solicitation, except with respect to access to open MRI studies, because LAC+USC will be providing the MRI services in-house upon completion of the new facility.

Two bidders submitted their proposal for evaluation by DHS. One proposer did not meet the minimum requirements and InSight was ultimately ranked the highest and the only qualified provider at the completion of the competitive selection process.

On April 30, 2007, DHS selected InSight as the recommended contractor for the provision of MRI patient care services, technologically enhanced MRI scanners and to remodel or construct modular buildings at four County facilities. The Health Deputies were notified by DHS of the selected contractor. During the construction phase, RLANRC will be the only location to require the use of a mobile MRI, because the modular building will be constructed at the same location as the present modular building.

During the contract negotiation phase, InSight informed DHS that their parent company, InSight Services Holding Corp. was in Chapter 11 Bankruptcy proceedings, which was filed on July 10, 2007. The current Agreements and the MRI services were not disrupted by the bankruptcy proceedings. DHS informed the DHS Finance Department and the CEO of the change in status. This information was shared with County Counsel who selected an outside counsel to review and evaluate the status of the bankruptcy. Outside counsel and DHS Finance Department determined that the bankruptcy was insignificant and that negotiations could proceed. InSight cured the Chapter 11 Bankruptcy on August 1, 2007. Negotiations with InSight was delayed and resumed on September 11, 2007.

The Contractor has agreed to comply with all of the County's policies, including Child Support Compliance Program, Contractor's Responsibility and Debarment Program, Safely Surrendered Baby Law, Consideration of Hiring GAIN/GROW participants, and the County's Jury Service Program.

In some cases, InSight did not completely accept the County's standard indemnification and insurance contract provisions, and the Department was required to negotiate alternative language because InSight was the only qualified provider. The terms and conditions rejected by InSight, and the alternative language negotiated by DHS are listed below. The Department believes that the negotiated alternative language should not pose an unacceptable risk to or burden on the County. In each case, the Department discussed the indemnification and insurance exceptions taken by InSight with CEO Risk Management Operations staff and County Counsel. The following are the key areas which depart from the County's standard provisions:

- InSight insisted upon including a mutual indemnification clause in the agreement.
- The requirement that InSight obtain a performance bond guaranteeing the completion of construction has been eliminated. DHS agreed to this negotiated change based on the Department's verification of InSight's acceptable financial condition and favorable performance history on other projects.

ENVIRONMENTAL DOCUMENTATION

The projects at HUMC, MLK MACC, RLANRC and OVMC are each categorically exempt from CEQA pursuant to Public Resources Code § 21084 and 14 Cal. Code Regs. §§15301, 15302, 15303 and 15061(b)(3). InSight will enter into a lease with the County at each facility and either remodel or replace an existing facility. In addition, the facilities at MLK MACC, RLANRC and OVMC will each be structures not exceeding 2,500 square feet.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the new Agreement will ensure that all necessary MRI diagnostic and therapeutic services are provided with continuity of care to County patients.

When approved, the Department requires three signed copies of the Board's action.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

Reviewed by:



Richard Sanchez
Interim Chief Information Officer

WTF:SRH:SAS
MLM:AMT:yb

Attachments (3)

c: County Counsel
Chief Information Officer

CIO ANALYSIS

DEPARTMENT OF HEALTH SERVICES REQUEST FOR APPROVAL OF A NEW AGREEMENT FOR MAGNETIC RESONANCE IMAGING SERVICES WITH INSIGHT HEALTH SERVICES CORP.

CIO RECOMMENDATION: ☒ APPROVE ☐ APPROVE WITH MODIFICATION
☐ DISAPPROVE

Contract Type:

☒ New Contract ☐ Contract Amendment ☐ Contract Extension
☐ Sole Source Contract ☐ Hardware Acquisition ☐ Other

New/Revised Contract Term: Base Term: 8 Yrs.

of Option Yrs: Two 1-year automatic extensions

Contract Components:

☐ Software ☒ Hardware ☐ Telecommunications
☒ Professional Services ☒ Other: Building construction and/or remodel

Project Executive Sponsor: John F. Schunhoff, Ph.D., Interim Director, DHS

Budget Information :

| | |
|-----------------------------|--------------|
| Y-T-D Contract Expenditures | \$ 0 |
| Requested Contract Amount | \$69,637,477 |
| Aggregate Contract Amount | \$69,637,477 |

Project Background:

| Yes | No | Question |
|--------------------------|-------------------------------------|--|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Is this project legislatively mandated? |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Is this project subvented? If yes, what percentage is offset? |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Is this project/application applicable to (shared use or interfaced) other departments? If yes, name the other department(s) involved. |

Strategic Alignment:

| Yes | No | Question |
|-------------------------------------|-------------------------------------|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Is this project in alignment with the County of Los Angeles Strategic Plan? |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Is this project consistent with the currently approved Department Business Automation Plan? |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Does the project's technology solution comply with County of Los Angeles IT Directions Document? |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Does the project technology solution comply with preferred County of Los Angeles IT Standards? |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | This contract and/or project and its milestone deliverables must be entered into the Information Technology Tracking System (ITTS). |

Project/Contract Description:

The Department of Health Services (DHS) is requesting the Board's approval to allow the Director of DHS to sign a new Operating Agreement with InSight Health Corp. (InSight) for the provision of magnetic resonance imaging (MRI) services, installation of new MRI scanners, development of interfaces from the MRI system to DHS' Healthcare Information Systems (HIS), and to remodel pre-fabricated buildings or construct new modular buildings at four County facilities: Harbor-UCLA (HUMC), Olive View-UCLA (OVMC) Medical Centers, Martin Luther King, Jr., Multi-Service Ambulatory Care Center (MLK MACC), and Rancho Los Amigos National Rehabilitation Center (RLANRC). As part of this Agreement, InSight will also continue to provide open MRI services for LAC+USC Medical Center (LAC+USC). The above will also require the Board to find that the construction projects at OVMC, MLK MACC, RLANRC and HUMC are each categorically exempt from the California Environmental Quality Act.

This Operating Agreement will commence on July 1, 2008 and extend through June 30, 2016, (eight years) and includes two one-year automatic extensions that will take the effective contract period through June 30, 2018. The estimated total cost to the County for the first eight years of the Agreement is \$55,154,477, including the cost of open MRI studies for LAC+USC at \$546.10 per scan. The two-year automatic extensions will have an additional estimated cost of \$14,483,000, for a total estimated contract cost of \$69,637,477 over the ten-year span.

Additionally, DHS is requesting Board authorization to enter into new ground leases with InSight for County-owned land at OVMC, MLK MACC and RLANRC for construction of new modular buildings and to negotiate a new building lease for the remodel of a pre-fabricated building at HMSC. All leases will run concurrently with the Operating Agreement and shall be for a nominal payment.

Further, DHS is requesting delegated authority to amend the Agreement with InSight throughout its term to expand the Statement of Work (SOW) for additional system interfaces and equipment upgrades, at a cost of up to \$150,000 per fiscal year, to ensure necessary and timely upgrades required for optimal patient diagnoses. Such expansions of the SOW would be subject to review and approval by County Counsel, the Chief Information Office (CIO), the Chief Executive Office (CEO) and notification to the Board offices.

Background:

For the past 20 years, DHS has contracted with InSight for MRI services at HUMC, MLK, OVMC, RLANRC and LAC+USC. Under this Agreement, InSight has constructed modular buildings at each facility, installed the requisite MRI equipment, and provided maintenance and the overall management of day-to-day MRI patient care operations.

On December 1, 2006, a Request for Information (RFI) was released for MRI services at four facilities (HUMC, MLK MACC, OVMC and RLANRC). LAC+USC was not part of the solicitation, except as relates to access to open MRI studies, because LAC+USC will be providing the MRI services in-house upon completion of the new facility.

Two bidders submitted their proposals for evaluation by DHS. One proposer did not meet the minimum requirements and InSight was ultimately ranked the highest and the only qualified provider at the completion of the competitive selection process. Accordingly, DHS selected InSight as the contractor for this project.

The current Agreement between the County and InSight for MRI services extends through March 2009 to allow sufficient time to complete negotiations for this new Agreement.

Project Justification/Benefits:

The MRI services provided under this Agreement will include the construction of modular buildings at MLK MACC, OVMC and RLANRC, remodeling of a pre-fabricated building at HUMC, installation of new MRI scanners, and management of clinical operations and MRI services. The County's current modular facilities where MRI services are provided are well past their normal life expectancy (15 years). The hardware being provided will utilize the latest technology enhancements, including a Pictorial Archival and Communication Systems (PACS) and Radiology Information System (RIS). Both systems will interface with each DHS facility's HIS and radiology PACS.

PACS will eliminate the need for physical storage of MRI images and related processing chemicals. It will also reduce duplication of patient MRI procedures, decrease the turnaround time for obtaining MRI diagnoses and findings, and provide improved patient care treatment.

Project Metrics:

This project can be measured by the successful and timely construction/remodeling of the modular MRI buildings, the provision of the agreed-upon hardware and software, and the reduction in MRI scan costs.

Impact on Service Delivery or Department Operations if Proposal Is Not Approved

If this Agreement is not approved, DHS will be unable to provide requisite MRI patient care services at HUMC, MLK MACC, OVMC and RLANRC. Also, the Department will lose the opportunity to standardize the cost of the MRI scans to \$546.10 per scan. The current Agreement does not have a fee per scan rate at all facilities and each facility pays different scan rates based on volumes, increments and COLAs. These fees range from \$750 to \$1,200 per scan.

Alternatives Considered:

InSight was the only qualified contractor selected from a competitive solicitation.

Project Risks:

The only potential risk to the County is contractor's ability to perform required services over the long period of time. It should be noted that during contract negotiation InSight informed DHS that on July 10, 2007, their parent company (InSight Services Holding Corp.) filed for Chapter 11 Bankruptcy protection. However, the current MRI services were not disrupted and County Counsel determined that the bankruptcy filing was not significant. InSight Services Holding Company cured the Chapter 11 Bankruptcy on August 1, 2007.

Risk Mitigation Measures:

To mitigate any potential risks to the County, the Agreement contains a provision allowing either party to terminate the Agreement with a 120-day advance notice to the other party.

Financial Analysis:

The Agreement does not require the County to expend any funds up front for the construction/remodeling of the MRI Centers or for the purchase of MRI equipment. Instead, InSight will charge the County \$546.10 per scan for County-responsible patients for the technical component of the MRI services. The estimated total cost to the County for the base term of the Agreement (July 1, 2008-June 30, 2016) is \$55,154,477, and the cost of the two-year automatic extensions (July 1, 2016 through June 30, 2018) is estimated at \$14,483,000. The total estimated contract obligation is \$69,637,477 over the ten-year span.

DHS is also requesting authority to revise the Scope of Work and expend up to an additional \$150,000 per year for additional system interfaces and equipment upgrades, which are anticipated to be necessary during the ten-year term of the Agreement.

Under the Agreement, InSight will lease the HUMC building and will retain ownership over the buildings at three facilities (MLK MACC, OVMC and RLANRC). At the end of the contract term, ownership of the buildings, fixtures and furniture will revert to the County, but InSight will retain ownership of the MRI scanners and IT equipment.

The \$546.10 per-scan price is based in part upon the assumption that InSight will recoup its construction costs at each facility over the ten-year term of the Agreement. Therefore, if the County terminates InSight's MRI services at any facility, it will be required to pay InSight the unamortized cost of InSight's improvements.

Funding is included in the Department's Fiscal Year 2008-09 Proposed Budget and will be requested in future fiscal years as required.

CIO Concerns:

None.

CIO Recommendations:

It is recommended that the Board approve this Agreement.

CIO APPROVAL

Date Received: June 10, 2008

Prepared by: Earl Bradley

Date: 6/12/2008

Approved: Hez Melan Day

Date: 6/12/2008



**MAGNETIC RESONANCE IMAGING SERVICES
AGREEMENT**

FOR

LOS ANGELES COUNTY DEPARTMENT OF HEALTH SERVICES

AT

HARBOR-UCLA MEDICAL CENTER

MARTIN LUTHER KING JR. MULTI-SERVICE

AMBULATORY CARE CENTER

LAC+USC MEDICAL CENTER

OLIVE VIEW-UCLA MEDICAL CENTER

AND

RANCHO LOS AMIGOS NATIONAL REHABILITATION CENTER

BY AND BETWEEN

THE COUNTY OF LOS ANGELES

AND

INSIGHT HEALTH CORP.

MAGNETIC RESONANCE IMAGING SERVICES AGREEMENT

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EXHIBITS

Exhibit A – Additional Terms and Conditions

Exhibit B – Statements of Work

Part I: Construction

Part II: Business and Operations

Part III: Information Technology

Exhibit C – Price and Payments

Exhibit D – Maintenance and Support

Exhibit E – Executed Leases

E-1 – HUMC

E-2 – KDMC

E-3 – OVMC

E-4 – RLANRC

Exhibit F – Comprehensive Equipment Inventory

F-1 – HUMC

F-2 – OVMC

F-3 – RLANRC

F-4 – KDMC

SCHEDULES

Schedules to Base Agreement

Schedule 7.2 – Form of Change Order

Schedule 10.6 – Form of Invoice Discrepancy Report

Schedules to Exhibit A (Additional Terms and Conditions)

1. Schedule 1.2.3 – Sample Subcontract
2. Schedule 1.2.5 – Subcontractor's Employee Acknowledgement and Confidentiality Agreement
3. Schedule 1.2.6 – Pre-approved Subcontractors and Classification of Contracting Arrangements
4. Schedule 3 – Contractor's Employee Acknowledgement and Confidentiality Agreement
5. Schedule 9.3.2 – Unamortized Investment Matrix
6. Schedule 18.B – Determinations of Contractor Non-Responsibility and Contractor Debarment Ordinance

BASE AGREEMENT

THIS AGREEMENT is entered into as of the Effective Date by and between the County of Los Angeles (“County”) and InSight Health Corp., a Delaware corporation (“Contractor”).

WHEREAS, County desires to have state of the art magnetic resonance imaging services available for County-Responsible Patients at the County Facilities, as defined herein, on a comprehensive, coordinated basis; and

WHEREAS, Contractor owns and operates imaging centers and employs individuals with the necessary skills, knowledge and technical competence to provide such magnetic resonance imaging services as contemplated herein;

WHEREAS, County shall retain certain professional and administrative responsibility for services under this Agreement;

NOW THEREFORE, in consideration of the mutual covenants contained herein and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, County and Contractor agree as follows:

1. AGREEMENT AND INTERPRETATION

1.1. Agreement. This Base Agreement, along with Exhibits A through F and any Attachments and Schedules attached hereto or thereto collectively constitute and throughout and hereinafter are referred to as the “Agreement.” This Agreement shall constitute the complete and exclusive statement of understanding between County and Contractor and supersedes any and all prior or contemporaneous agreements, written or oral, and all communications between the parties relating to the subject matter of this Agreement. Notwithstanding the foregoing, any disputes arising under such superseded agreements shall be addressed solely pursuant to the dispute resolution processes under this Agreement, it being the parties’ intent to neither diminish nor enhance the substantive rights of the parties under the superseded agreements.

1.2. Interpretation. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any Task, Subtask, Deliverable, goods, service or other Work, or otherwise, such conflict or inconsistency shall be resolved by giving precedence first to the Base Agreement (including without limitation the Recitals hereto), then to Exhibit A, then to the Leases, and then to the other Exhibits to the Base Agreement (including without limitation the Attachments and Schedules thereto).

1.3. Construction. The words “herein”, “hereof”, and “hereunder” and words of similar import used in this Agreement refer to this Agreement, including all annexes, Attachments, Exhibits and Schedules, as the context may require. Wherever either from the context it appears appropriate, each term stated in the singular or plural shall include the singular and the plural. Whenever examples are used in this Agreement with the words “including”, “for example”, “e.g.”, “such as”, “etc.”, or any derivation of such words, such examples are intended to be illustrative and not limiting. Captions and Paragraph headings used in the Agreement are

for convenience only and are not a part of the Agreement and shall not be used in construing the Agreement.

2. DEFINITIONS

The following terms and phrases in quotation marks and with initial letters capitalized shall have the specific meanings set forth below in this Paragraph 2 when used in this Agreement. (Additional definitions to be added.)

“Acceptance” shall mean County’s written approval of any Tasks, Subtasks, Deliverables, goods, services or other work, including Acceptance Tests, provided by Contractor to County pursuant to this Agreement.

“Acceptance Test(s)”, whether singular or plural, shall mean any one of the tests described in Task 4 (Acceptance Tests) of Exhibit B, Part III (Statement of Work – Information Technology), including Reliability Test, Data Transfer Test and Functional Test.

“Agreement” shall have the meaning set forth in Paragraph 1.1 (Agreement).

“Auto Router” shall mean a device for sending digital images automatically from Contractor System to Facility System.

“Base Agreement” shall mean this Agreement, but without any of the referenced Exhibits, Attachments or Schedules.

“Board”, the term shall mean County’s Board of Supervisors, which is the governing body of County.

“Building Lease” shall mean the building lease listed in Exhibit E.

“Business Day(s)”, whether singular or plural, shall mean Monday through Friday, excluding County observed holidays, unless stated otherwise herein.

“Business Requirements” shall mean the operations, functional and information technology requirements, including System Requirements, necessary to maintain and operate the MRI Services provided by Contractor under this Agreement.

“Change Order” shall have the meaning set forth in Paragraph 7 (Change Orders and Amendments).

“CEO” shall mean County’s Executive Office.

“CIO” the term shall mean County’s Chief Information Officer.

“Coils” shall mean surface coils which enable imaging of both soft tissue and lesions at greater image resolution.

“Contractor” shall mean InSight Health Corp.

“Contractor Key Personnel” shall have the meaning set forth in Paragraph 4.3 (Approval of Contractor’s Staff).

“Contractor Project Director” shall have the meaning set forth in Paragraph 4.1 (Contractor Project Director).

“Contractor Project Manager” shall have the meaning set forth in Paragraph 4.2 (Contractor Project Manager).

“Contractor System” shall mean the InSight Radiology Information System (IRIS) or any replacement system thereto used by Contractor for the purpose of this Agreement.

“County” shall mean the County of Los Angeles, California.

“County Counsel” shall mean County’s Office of the County Counsel.

“County Facility or County Facilities”, whether singular or plural, shall mean any one or more of the following facilities for which MRI services will be provided by Contractor: (1) Harbor-UCLA Medical Center (HUMC), (2) Martin Luther King, Jr. Multi-Service Ambulatory Care Center (MLK), (3) Olive View-UCLA Medical Center (OVMC), and (4) Rancho Los Amigos National Rehabilitation Center (RLANRC). The other County facility with MRI services is LAC+USC Medical Center (LAC+USC), which may be referenced in this Agreement.

“County Global Project Director” shall have the meaning set forth in Paragraph 3.1 (County Global Project Director).

“County Global Project Manager” shall have the meaning set forth in Paragraph 3.2 (County Global Project Manager).

“County Facility Project Director” shall have the meaning set forth in Paragraph 3.3 (County Facility Project Director(s)).

“County Facility Project Manager” shall have the meaning set forth in Paragraph 3.4 (County Facility Project Manager(s)).

“County Indemnitees” shall have the meaning set forth in Paragraph 12.1 (Indemnification) of Exhibit A (Additional Terms and Conditions).

“County Interface(s)”, whether singular or plural, shall mean electronic communication and transfer of data between two or more computer information systems with a connection to County’s Healthcare Information System (HIS).

“County Radiologist” shall mean County radiologist, such as an attending, faculty, fellow and/or resident.

“County-Referred Patient” shall mean inpatients and outpatients referred by County Facility to Contractor for MRI services.

“County-Responsible Patient” shall mean County-referred 1) inpatients, or 2) outpatients who are not covered by Medicare, Medi-Cal, private medical insurance or other third-party coverage and deemed to be County-responsible by the Director of Health Services or his authorized designee, and (3) enrollees in CHP.

“Data Transfer Test” shall mean the Acceptance Test performed separately for each County Facility by Contractor in accordance with Subtask 4.2 (Conduct Data Transfer Test) of Exhibit B, Part III (Statement of Work – Information Technology).

“Day(s)”, whether singular or plural, the term shall mean calendar days and not Business Days or Working Days, unless otherwise indicated.

“Defective or Defect” shall mean a failure of the MRI System or any other System component provided by Contractor under this Agreement, including scanners, software and other hardware, to operate in accordance with the manufacturer’s user manual or other Documentation.

“Deficiency” shall have the meaning set forth in Paragraph 11.1 (Deficiencies).

“Deliverable” and “Deliverables”, whether singular or plural, shall mean an item and/or a service to be provided by Contractor under this Agreement identified as a numbered Deliverable in Exhibit B (Statement of Work), including Parts I, II and III thereto.

“DHS” and “Department” shall mean the Department of Health Services.

“Diagnostic Imaging” shall mean integrated information technology and imaging equipment or devices.

“DICOM” the term shall mean Digital Imaging and Communications in Medicine standard for distributing and viewing medical images.

“Dispute Resolution Procedure” shall have the meaning set forth in Paragraph 1 (Dispute Resolution Procedure) of Exhibit A (Additional Terms and Conditions).

“Documentation” shall mean any and all written materials, including user manuals, quick- reference guides, FAQs, training materials, testing protocols, methodologies, specifications, and system designs and system design reviews that support the use of the MRI System and other System components provided by Contractor under this Agreement.

“Downtime” shall mean that period of time during which the MRI System or any component thereof, including any Interface, is unavailable.

“Downtime Credits” shall mean the credits which County may assess against Contractor for Contractor’s failure to correct Deficiencies relating to Interfaces within the applicable Resolution Times, as set forth in Section VIII.A (Interfaces) of Exhibit D (Maintenance and Support).

“Effective Date” shall mean the date this Agreement is executed by all parties and approved by the Board of Supervisors.

“Emergency” shall mean MRI Equipment failure causing a complete or partial operational shutdown of County Facility’s capacity to utilize such MRI Equipment, for which there is no immediate temporary alternative available.

“Fee for Service” and “Fee per Scan” shall mean the payment mechanism for this Agreement under which the County Facility will reimburse Contractor for each actual MRI scan that is scheduled, transcribed (with completed transcribed reports), billed and collected.

“Final Acceptance” shall mean, with respect to each County Facility, County’s written approval of the Work associated with any Tasks, Subtasks, Deliverables, goods and services provided by the Contractor under this Agreement as described in Exhibit B, Part I (Statement of Work – Construction) and Part III (Statement of Work – Information Technology) including Task 6 (Final Acceptance) of such Exhibit B, Part III (Statement of Work – Information Technology), as evidenced by County Facility Project Manager’s countersignature to the applicable Task/Deliverable, from which point County will commence reimbursing Contractor for the Work provided under this Agreement.

“Functional Test” shall mean the Acceptance Test performed separately for each County Facility by Contractor in accordance with Subtask 4.3 (Conduct Functional Test) of Exhibit B, Part III (Statement of Work – Information Technology).

“Go-Live” shall mean Contractor’s successful completion of Subtask 5.1 (Establish Production Environment) of Exhibit B, Part III (Statement of Work – Information).

“Ground Lease” shall mean any of the ground leases listed in Exhibit E.

“Harbor Building” shall mean the prefabricated building in which MRI Services shall be conducted by Contractor for patients at HUMC that is the subject of the Building Lease.

“Hardware and Software Replacement” shall mean that a Defective product attributable to the MRI System shall be exchanged for the same or equivalent product.

“Health Level 7” and “HL7” shall mean a messaging solution.

“HIPAA” shall mean the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191 (1996), together with the rules and regulations from time to time promulgated thereunder, including the Privacy Regulations.

“HIS” shall mean Healthcare Information System (QuadraMed-Affinity).

“HSA” shall mean DHS’ Health Services Administration.

“Interfaced System(s)”, whether singular or plural, shall mean any one of County’s systems or applications, including HIS, interfaced with the MRI System by an Interface.

“Interface(s)”, whether singular or plural, shall mean the software mechanisms which allow the transfer of electronic data or software commands between computer systems or computer programs which are (a) required to be provided by Contractor under the Statement of

Work, or (b) requested by County to be provided by Contractor pursuant to Paragraph VI of Exhibit D (Maintenance and Support), which Interfaces are and shall become part of the MRI System.

“Invoice Discrepancy Report” or “IDR” shall have the meaning set forth in Paragraph 10.5 (Invoice Discrepancy Report).

“IRIS” shall have the same meaning as Contractor System.

“Jury Service Program” shall have the meaning set forth in Paragraph 33 (Compliance with Jury Service Program) of Exhibit A (Additional Terms and Conditions).

“Lease” shall mean any of the Ground Leases or Building Lease.

“Medical Imaging” shall mean integrated information technology and imaging equipment or devices.

“Medical Imaging Scan” shall mean the technique and process for creating images of the human body (or parts thereof) for clinical purposes (medical procedure seeking to reveal, diagnose or examine disease) or medical science (including the study of normal anatomy and function).

“Mobile MRI” shall mean a unit, such as a trailer, used by Contractor for performing the MRI Services under this Agreement in the event MRI Equipment is unavailable.

“Modular Unit” means the building at each of the County Facilities, including the “Harbor Building,” where MRI Services are provided hereunder.

“Modular Unit Unamortized Investment” means the total investment costs (composed of Facility/Project costs and Pacs/IT costs) with respect to the Modular Unit at each County Facility as listed in Schedule 9.3.2, as amortized in one-year segments in accordance with Schedule 9.3.2.

“MRI” means Magnetic Resonance Imaging.

“MRI Center” shall mean the location where MRI Services will be provided by Contractor to County Responsible Patients at DHS or any of County Facilities under this Agreement.

“MRI Equipment” shall mean the modalities used by Contractor for performing Work under this Agreement, including MRI scanners, Interfaces, transmission of data or images between the MRI System and the Facility System.

“MRI Interfaces” shall mean transmission of data and/or images between the MRI System and the Facility System or within the County System.

“MRI Local Storage” shall mean the software and hardware provided by Contractor for the purpose of temporarily storing MRI scans.

“MRI Scanners” shall mean the scanners provided by Contractor as part of the MRI System for the purpose of providing Work under this Agreement.

“MRI Services” shall mean any and all services associated with the performance of MRI by Contractor under the Agreement, including MRI Scans.

“MRI System” shall mean MRI Local Storage and MRI Equipment (modality) provided by Contractor for the purpose of providing Work under this Agreement.

“MRI Unit” shall mean a unit containing MRI Scanner and other devices and software required for proper operation of MRI Equipment.

“Net Technical Fees” shall have the meaning of the total reimbursement received for MRI Services by Contractor from a third-party payer and third-party payer patient co-payments and deductibles, if appropriate, less the professional (physician) component.

“Notice of Delay” shall have the meaning set forth in Paragraph 15 (Notice of Delay) of Exhibit A (Additional Terms and Conditions).

“OSHDPD” shall mean Office of Statewide Health Planning and Development.

“PACS” shall mean Picture Archiving and Communications System.

“Priority Level”, whether singular or plural, shall mean identified Priority Levels I, II and III for correction of Deficiencies, as set forth, as applicable, in (i) Section II.A (Deficiency Priority Levels) of Exhibit D (Maintenance and Support) for Deficiencies relating to MRI Equipment and (ii) Section VI.B. (Deficiency Priority Levels – Interfaces) of Exhibit D (Maintenance and Support).

“Private Patient” shall mean any patient referred to Contractor for MRI Services by (i) community physicians, (ii) outside medical groups, (iii) Kaiser Foundation, (iv) other health maintenance organizations (HMO), (v) and/or prepaid health plans (other than a County of Los Angeles sponsored plan) and other community hospitals.

“Production” when used with the term “Environment” or “Use” or by itself shall mean the actual use of the System and patient data to perform County’s applicable normal business operations. Production does not automatically imply that County will be reimbursing Contractor while the System is in Production.

“Professional Component” shall mean the review and interpretation of diagnostic images which are obtained through the technical component of diagnostic imaging, involving the use of diagnostic imaging equipment and facilities.

“Professional Services” shall mean programming, modifications, maintenance, support and other professional services relating to the Interfaces provided by Contractor as part of maintenance and support services pursuant to Section VI (Interfaces and Modifications) of Exhibit D (Maintenance and Support).

“Project Status Reports” shall have the meaning set forth in Paragraph 4.4 (Project Status Reports by Contractor).

“Reliability Test” shall mean the Acceptance Test performed separately for each County Facility by Contractor in accordance with Subtask 4.1 (Conduct Reliability Test) of Exhibit B, Part III (Statement of Work – Information Technology).

“Resolution Time” shall mean the time allowed for correction of Deficiencies by Contractor as set forth, as applicable, in (i) Section II.A (Deficiency Priority Levels) of Exhibit D (Maintenance and Support) for Deficiencies relating to MRI Equipment and (ii) Section VI.B (Deficiency Priority Levels—Interfaces) of Exhibit D (Maintenance and Support).

“Scan(s)” and “MRI Scan(s)”, whether singular or plural, shall mean a medical imaging technique primarily used in Radiology to visualize the structure and function of the body, which provides detailed images of the body in any plane of the soft tissue.

“Service Agreement” shall mean the agreement between Contractor and a third party vendor for the provision of Support Services under this Agreement.

“Specifications” shall mean any of all of the following, as applicable:

- (a) All manufacturer(s) specifications relating to the System and updates thereof denominated as such by respective manufacturer(s);
- (b) All specifications and updates thereof relating to the System identified as such by Contractor, including, but not limited to, System Requirements, Business Requirements, System Implementation Plan, Test Plans, Documentation, Project Control Document, Project Status Reports, System design reports and any other reports, documents or information provided by Contractor under this Agreement;
- (c) All written or electronic materials furnished by or through Contractor regarding the System; and
- (d) All requirements and standards set forth in Exhibit B, Part III (Statement of Work – Information Technology).

Contractor’s marketing brochures, Websites, press releases and promotional correspondence shall not be considered Specifications.

“Statement of Work” and “SOW” shall mean and refer to any or all of the following Parts under Exhibit B to this Agreement: I (Statement of Work – Construction), II (Statement of Work – Operations) and III (Statement of Work – Information Technology), as the same may be amended by any approved Change Order or amendment.

“Subtask” and “Subtasks”, whether singular or plural, shall mean one or more sub-areas of work to be performed under this Agreement and identified as a numbered Subtask in Exhibit B (Statement of Work), including Parts I, II and III thereof.

“Support Services” shall mean the maintenance and support services relating to the MRI Equipment.

“Support Services Provider” shall mean the provider of maintenance and support services under this Agreement, which could be Contractor or a third party.

“System” shall mean all software, hardware, communication devices, interfaces, scanners and any other equipment provided by County or Contractor for the purpose of this Agreement and meeting the specifications set forth in Exhibit B, Part III, Attachment A-1 (System Requirements), including the County System and the Contractor System.

“System Deficiency” shall have the same meaning as the term “Deficiency” usually relating to a failure of a product or device to operate in accordance with the Specifications.

“System Implementation Plan” shall mean the project plan for implementing the System under Subtask 1.1 (Provide System Implementation Plan) of Exhibit B, Part III (Statement of Work – Information Technology).

“System Requirements” shall mean the requirements for the operation and utilization of the System and its components specified in Exhibit B, Part III, Attachment A-1 (System Requirements).

“Task” and “Tasks”, whether singular or plural, shall mean one or more major areas of work to be performed under this Agreement and identified as a numbered Task in Exhibit B (Statement of Work), including Parts I, II and III thereof.

“Tax(es)”, whether singular or plural, shall mean governmental fees (including license, filing and registration fees) and all taxes (including franchise, excise, stamp, value added, income, gross receipts, gross revenue, import, export, sales, use, transfer, and property taxes), withholdings, assessments, levies, imposts, duties, charges, or interest thereon imposed.

“Technical Component” shall mean the use of diagnostic imaging equipment and facility which is obtained through use of a certified technologist.

“Term” shall have the meaning set forth in Paragraph 8 (Term).

“Test Plan(s)”, whether singular or plural, shall mean the outline of the activities and processes required for conducting the Acceptance Tests set forth in Exhibit B, Part III, Attachment A-2 (Test Plan Template).

“Third-party covered or self-pay patient” shall mean County-referred (1) outpatients who are covered by Medicare, Medi-Cal, private medical insurance, or other third-party coverage, as determined by County Facility, or (2) outpatients who are determined by County Facility to be self-pay patients.

“Treating Physician” shall mean the person responsible for rendering medical care for a patient.

“Update(s)”, whether singular or plural, shall mean any modifications to the System, including upgrades, updates, enhancements, revisions, improvements, bug fixes, patches and other modifications provided by Contractor as part of its Maintenance and Support obligations under the Agreement.

“User(s)” and “user(s)”, whether singular or plural, shall mean any one or more of the persons or organizations authorized by County or any County Facility to access or use the System, including the Contractor System (IRIS) and any County System (HIS).

“Vendor(s)”, whether singular or plural, shall mean contractor who sells or leases equipment, software, hardware or other manufactured material goods to County for use under this Agreement.

“Warranty(ies)”, whether singular or plural, shall mean the warranty for the MRI Equipment provided by its applicable manufacturer.

“Warranty Period” shall mean the period between Go-Live and Final Acceptance.

“Work” shall mean any and all Tasks, Subtasks, Deliverables, goods, Additional Work, Maintenance and Support, and other services performed by or on behalf of Contractor in order to provide all work required pursuant to this Agreement, including the Statement of Work and all Exhibits, Attachments and Schedules thereto, Change Orders, and amendments hereto.

“Working Day(s)” shall mean 8:00 a.m. to 5:00 p.m., Pacific Time, seven days a week, including County observed holidays, or the hours deemed business hours specified at a County Facility as described in Exhibit B, Part II (Statement of Work – Operations).

3. ADMINISTRATION OF AGREEMENT – COUNTY

3.1. County Global Project Director. The County Global Project Director shall be the following person, who shall be a full-time employee of County:

Chief Network Officer
Los Angeles County Department of Health Services
313 North Figueroa Street
Los Angeles, California 90012

The County Global Project Director shall be responsible for County’s performance and ensuring County’s compliance with this Agreement.

From the Effective Date through the expiration of the Term, County Global Project Director shall be available to meet and confer with Contractor Project Director(s) no less frequently than monthly in person or by phone, to review project progress and discuss project coordination.

3.2. County Global Project Manager. The County Global Project Manager shall be the following person who shall be a full-time employee of County:

Administrative Deputy
Los Angeles County Department of Health Services
313 North Figueroa Street
Los Angeles, California 90012

The County Global Project Manager shall be responsible for County's day-to-day activities as related to this Agreement.

From the Effective Date until otherwise agreed by the County Global Manager and the Contractor Project Manager, County Global Project Manager shall be available to meet and confer as necessary, but no less frequently than twice per month, with Contractor Project Manager; thereafter, County Global Project Manager shall be available to meet and confer with Contractor Project Manager no less frequently than monthly.

3.3. County Facility Project Director(s). Each designated County Facility Project Director shall only have authority in connection with the Project Director's affiliated County Facility, as identified below. To the extent there is any conflict between the County Global Project Director and any County Facility Project Director, the County Global Project Director shall control.

County Facility Project Director(s) for this Agreement shall be the following persons:

Charles Mehringer, MD – Chairman, Department of Radiology
Harbor-UCLA Medical Center
1000 W. Carson Street
Torrance, CA 90509
Internet Address: cmehringer@dhs.lacounty.gov

Vaughn Payne, MD – Chairman, Department of Radiology
Martin Luther King, Jr. Multi-Service Ambulatory Care Center
12021 S. Wilmington Ave
Los Angeles, CA 90059
Internet Address: vpayne@dhs.lacounty.gov

Ramesh Verma, MD – Chairman, Department of Radiology
Olive View-UCLA Medical Center
14445 Olive View Dr.
Sylmar, CA 91343
Internet Address: rverma@dhs.lacounty.gov

Charles Stewart, MD – Chairman, Department of Radiology
Rancho Los Amigos National Rehabilitation Center
7601 E. Imperial Hwy
Downey, CA 90242
Internet Address: cstewart@dhs.lacounty.gov

Edward Grant, MD – Chairman, Department of Radiology
LAC+USC Medical Center
1200 State Street
Los Angeles, CA 90033
Internet Address: edgrant@usc.edu

County will notify Contractor of any change in the name or address of County Facility Project Director(s).

Except as set forth in Paragraph 7 (Change Orders and Amendments) of this Agreement, County Facility Project Director(s) are not authorized to make any changes in any of the terms and conditions of this Agreement and are not authorized to further obligate County in any respect whatsoever.

County Facility Project Director(s) shall have the right at all times to inspect any and all Work provided by or on behalf of Contractor

3.4. County Facility Project Manager(s). Each designated County Facility Project Manager shall only have authority in connection in the Project Manager's affiliated County Facility, as identified below. To the extent there is any conflict between the County Global Project Manager and any County Facility Project Manager, the County Global Project Manager shall control.

County Facility Project Manager(s) for this Agreement shall be the following persons:

Candyce Gray, Radiology Manager
Harbor-UCLA Medical Center
1000 W. Carson Street
Torrance, CA 90509
Internet Address: cgray@dhs.lacounty.gov

Willie Smoot, Interim Director of Radiology
Rhonda Bean, Hospital Administration
Martin Luther King, Jr. Multi-Service Ambulatory Care Center
12021 S. Wilmington Ave
Los Angeles, CA 90059
Internet Addresses: wsmoot@dhs.lacounty.gov
rbean@dhs.lacounty.gov

Dexter Moon, Expenditure Management - Contracts
Olive View/UCLA Medical Center
14445 Olive View Dr.
Sylmar, CA 91343
Internet Address: dmoon@dhs.lacounty.gov

Bob Sweeney, Director, Facilities Management
Rancho Los Amigos National Rehabilitation Center
7601 E. Imperial Hwy.
Downey, CA 90242
Internet Address: bsweeney@dhs.lacounty.gov

Daniel Amaya, Hospital Administrator
LAC+USC Medical Center
1200 State Street
Los Angeles, CA 90033
Internet Address: damaya@dhs.lacounty.gov

County shall notify Contractor of any change in the name or address of County Facility Project Manager(s).

County Facility Project Manager(s) shall be a resource for addressing the technical standards and requirements of this Agreement.

County Facility Project Manager(s) shall interface with Contractor Project Manager on a regular basis.

County Facility Project Manager(s) are not authorized to make any changes in any of the terms and conditions of this Agreement nor obligate County in any respect whatsoever.

County Facility Project Manager(s) shall advise County Facility Project Director(s) as to Contractor's performance in areas relating to technical requirements and standards, County policy, information requirements, and procedural requirements.

3.5. Approval of County's Staff

County shall endeavor to assure continuity during the Term of County personnel performing key functions under this Agreement, including: County Global Project Director, County Global Project Manager, County Facility Project Directors and County Facility Project Managers ("County Key Personnel").

If County desires to replace the County Global Project Director or a County Facility Project Director, County shall use reasonable, best efforts to provide Contractor with a resume of each such proposed replacement, and an opportunity to meet such proposed replacement and consult with County prior to the proposed replacement becoming effective, unless there is an emergency that precludes such prior meeting and consultation. Contractor approval, however, is not required for any such replacement.

County shall endeavor to promptly fill any vacancy in County Key Personnel with individuals having qualifications at least equivalent to those of County Key Personnel being replaced. Moreover, to the extent possible, County shall, in accordance with the preceding paragraph, consult with Contractor on a transition plan so as to ensure project continuity.

3.6. Consolidation of Duties: County reserves the right to consolidate the duties of any Key County Personnel into the duties of the County Global Project Director, and to assign all such duties to the County Global Project Director who will act as County's liaison in all matters relating to this Agreement. County will notify Contractor no later than five (5) days prior to exercising its rights pursuant to this Paragraph.

3.7. County Personnel. All County personnel assigned to this Agreement shall be under the exclusive supervision of County. Contractor understands and agrees that all such County personnel are assigned only for the convenience of County.

4. ADMINISTRATION OF AGREEMENT – CONTRACTOR

4.1. Contractor Project Director.

Contractor Project Director shall be the following person, who shall be a full-time employee of Contractor:

Audrey Garner, Regional Director of Operations
InSight Health Corp.
26250 Enterprise Court, Suite 100
Lake Forest, CA 92630
agarner@insighthealth.com

Project Director shall be responsible for Contractor's performance of all of the Work and ensuring Contractor's compliance with this Agreement.

From the Effective Date through the expiration of the Term, Contractor Project Director shall be available to meet and confer with County Project Director no less frequently than monthly in person or by phone, to review project progress and discuss project coordination.

4.2. Contractor Project Manager.

The Contractor Project Manager shall be the following person who shall be a full-time employee of Contractor:

Bernadette Kay, Operations Manager
InSight Health Corp.
26250 Enterprise Court, Suite 100
Lake Forest, CA 92630
bkay@insighthealth.com

Contractor Project Manager shall be responsible for Contractor's day-to-day activities as related to this Agreement and for reporting to County in the manner set forth in Paragraph 4.4 (Project Status Reports by Contractor).

From the Effective Date until otherwise agreed by the Contractor Project Manager and the County Global Manager, Contractor Project Manager shall be available to meet and confer as necessary, but no less frequently than twice per month, with County Global Manager; thereafter,

Contractor Project Manager shall be available to meet and confer with County Global Manager no less frequently than monthly.

4.3. Approval of Contractor's Staff

County approves the proposed Contractor Project Director and Contractor Project Manager listed in Paragraphs 4.1 and 4.2. County Global Project Director has the right to approve or disapprove any proposed replacement for Contractor Project Director and Contractor Project Manager. If Contractor desires to replace either Contractor Project Director or Contractor Project Manager, Contractor shall provide County with a resume of each such proposed replacement, and an opportunity to interview such proposed replacement prior to the proposed replacement performing any Work hereunder. County shall not unreasonably withhold or delay its approval of a replacement of Contractor Project Director or Contractor Project Manager.

Contractor shall endeavor to assure continuity during the Term of Contractor personnel performing key functions under this Agreement, including Contractor Project Director and Contractor Project Manager, the "Contractor Key Personnel").

In the event Contractor should desire to remove any Contractor Key Personnel from performing Work under this Agreement, Contractor shall provide County with notice at least fifteen (15) days in advance, except in circumstances in which such notice is not possible (*e.g.*, a removal for cause or other egregious act), and shall work with County on a mutually agreeable transition plan so as to ensure project continuity.

Contractor shall fill promptly any vacancy in Contractor Key Personnel with individuals having qualifications at least equivalent to those of Contractor Key Personnel being replaced.

All staff employed by and on behalf of Contractor shall be adults who are legally eligible to work under the laws of the United States of America and the State of California. All Contractor Key Personnel and all other members of Contractor's staff who have direct contact with County (either by telephone, electronic or written correspondence, or in person) shall be fully fluent in both spoken and written English.

4.4. Project Status Reports by Contractor. In order to control expenditures and to ensure the reporting of all Work provided by Contractor, Contractor Project Director shall provide County Global Project Director and County Global Project Manager with monthly written reports ("Project Status Reports") which contain the information set forth in the Tasks, Subtasks, Deliverables, goods and services of the Statement of Work, and such other information as County Global Project Director or County Global Project Manager may from time to time reasonably request.

5. **GENERAL SUMMARY OF PROJECT AND OPERATIONS**

County has leased the specified land to Contractor pursuant to the Ground Leases as set forth in Exhibit E (Executed Leases), and the specified land and Harbor Building to Contractor pursuant to the Building Lease as set forth in Exhibit E. Contractor shall construct the Modular Units on the Premises covered by the Ground Leases at three (3) County Facilities as provided in

Exhibit B, Part I (Construction), and remodel the Harbor Building covered by the Building Lease as provided in Exhibit B, Part I (Construction).

Contractor shall install and maintain the MRI Equipment at the four Facilities as set forth in Exhibit F. The parties intend to provide MRI Services that meet applicable standards of good quality patient care during the entire Term of the Agreement, and the parties accordingly understand and agree that it will be necessary to provide upgrades to the MRI Equipment from time to time in order to ensure that MRI Services are provided hereunder in accordance with the usual and customary standards in the imaging industry as reasonably determined by the parties. During the first six years of the Term, the County will be responsible for the reasonable and customary costs of any such upgrades, subject to County budgetary constraints and all required approvals. During the final four years of the Term, the parties agree that some sharing of upgrade costs may be appropriate, given the fact that Contractor obtains ownership and control of the MRI Equipment upon the expiration of the Agreement, and, accordingly, the parties will negotiate in good faith regarding a fair allocation of costs with respect to any such upgrade.

Contractor shall install and maintain the Information Technology System as provided in Exhibit B, Part III (Information Technology) and Exhibit D (Maintenance and Support).

Contractor shall provide MRI Services in the Modular Units in accordance with Exhibit B, Part II (Business and Operations). Contractor shall provide such MRI Services hereunder pursuant to the California licensure exemption under Section 1206(m) of the California Health and Safety Code and as a certified Independent Diagnostic and Testing Facility (IDTF) under the Medicare program. Notwithstanding anything to the contrary herein, Contractor shall be required and authorized to exercise such control and authority over and otherwise operate the MRI Centers hereunder as necessary to maintain such licensure exemption and IDTF certification. The parties agree that the MRI Centers at all four Facilities shall be owned and operated by Contractor.

Contractor shall provide or arrange for the provision of Open MRI Services in accordance with Exhibit B, Part II (Business and Operations).

6. WORK

6.1. Approval of Work

Upon completion of particular Work to be provided by Contractor pursuant to this Agreement, Contractor shall provide a Monthly Task/Deliverable Report to County's Global Project Manager in accordance with the Exhibits hereto, together with any supporting documentation reasonably requested by County, for County's Global Project Manager's written approval. All Work must be approved by County, as evidenced by County's Global Project Manager's counter signature to the applicable Task/Deliverable. In no event shall County be liable or responsible for any payment for any Work for which County is required to make specific payments hereunder prior to its approval of such Work (but nothing herein is intended to limit County's responsibility to make the fee-per-scan payments under Exhibit C (Price and Payments)). Contractor shall fully provide, complete and deliver all Work in accordance with the requirements, Specifications, timetables set forth in this Agreement and shall complete and

deliver all MRI Services and MRI Equipment and other medical imaging equipment or devices and its components to County in accordance with the terms and conditions set forth in this Agreement.

6.2. Unapproved Work

If Contractor provides any goods or services to County other than the Work required under this Agreement, or if Contractor submits an invoice for payment in respect of any Work without first having obtained an approved Task/Deliverable by County's Global Project Manager in respect of such Work the same shall be deemed to be a gratuitous effort on the part of Contractor and Contractor shall have no claim whatsoever against County therefor.

6.3. Scope of Work

Contractor shall provide to County all Work in accordance with the terms and conditions set forth in this Agreement, including Exhibit B, Parts I (Statement of Work – Construction), II (Statement of Work – Business and Operations), and III (Statement of Work – Information Technology).

6.4. System

As part of providing MRI Services under the Agreement, Contractor shall implement the MRI System, and provide maintenance and support services related to the MRI System and the Interfaces as provided in Exhibit B, Part III (Statement of Work – Information Technology) and Exhibit D (Maintenance and Support).

6.5. Remedies

Subject to the provisions of Paragraph 2 (Dispute Resolution Procedure) of Exhibit A (Additional Terms and Conditions), County shall be entitled to remedies in the event of Downtime or other Deficiencies related to the MRI System or Interfaces, as set forth in Section VIII (Remedies) of Exhibit D (Maintenance and Support).

Downtime penalties and credits shall not apply with respect to Downtime occurring during mutually agreed scheduled or planned remedial or preventive maintenance for MRI System. County shall not unreasonably delay performance of remedial or preventive maintenance for the MRI System.

6.6. Right to Reject

County reserves the right to reject any Tasks, Subtasks, Deliverables, goods, services, and/or other work not approved by County pursuant to Paragraph 6.1 (Approval of Work) or other provisions of this Agreement.

7. CHANGE ORDERS AND AMENDMENTS

No representative of either County or Contractor, including those named in this Agreement, is authorized to make any changes in any of the terms, obligations, or conditions of

this Agreement, except through the procedures set forth in this Paragraph (Change Orders and Amendments).

7.1. General. County reserves the right, subject to approval by Contractor, to change any portion of the Work under Exhibit B, including Parts I (Statements of Work – Construction), II ((Statements of Work – Operations), III (Statements of Work – Information Technology) required under this Agreement, or amend such other terms and conditions, as may become necessary. Any such revision shall be accomplished in the following manner:

To the extent that extensions of time for Contractor performance do not impact either the scope of Work or the cost of this Agreement, the County Global Project Director may grant extensions of time in writing for Contractor after consultation with County Counsel and/or CIO.

For any change that materially affects any term or condition in this Agreement, then a negotiated amendment to this Agreement shall be executed by the Board and Contractor. For any change which will neither require County expenditures beyond available funds nor materially affect the scope of Work, a Change Order may be executed by both the County Global Project Director and Contractor Project Director, subject to the County Global Project Director's prior consultation with County Counsel.

Notwithstanding any other provision of this Agreement, the County Global Project Director shall take all appropriate action to carry out any orders of the Board relating to this Agreement, and, for this purpose, the County Global Project Director is authorized to: (a) issue written notices of termination of this Agreement pursuant to Exhibit A (Additional Terms and Conditions) without further action by the Board, and (b) prepare and sign Amendments to this Agreement, subject to the approval of Contractor and consultation with County Counsel, which implement the Statements of Work without further action by the Board.

7.2. Change Order. Any "Change Order" proposed or executed by the parties shall be in the form of a work order and shall include:

- i. the Scope of Work to be performed under the Change Order and a statement, signed by Contractor Project Director, which statement explains how, and certifies that, the scope of such work is outside of the required work under this Agreement;
- ii. a quotation of a price estimate or "not to exceed" price, whichever is negotiated by the parties, which price includes reimbursement and itemization for all permissible expenses for completion and delivery of the requested Scope of Work, including a proposed Task and Deliverable completion and payment schedule and Contractor staff and estimated personnel hours recommended for completion of such Scope of Work;
- iii. a description of and Contractor's cost of any products, including applicable hardware, software or other materials required to complete the requested Scope of Work;

- iv. an accounting of the cost savings, if any, to be realized by County from the nonperformance of any Scope of Work that is to be supplanted by the Change Order;
- v. final delivery date for completed Change Order, including any post-delivery acceptance period as may be applicable; and
- vi. if applicable, a revised Task and Deliverable completion schedule under the Statements of Work for the remaining Work (*i.e.*, other than the Scope of Work requested under the Change Order).

7.3. Price Quotations. Contractor's quotations under the proposed Change Order shall be valid for sixty (60)-days from the date of submission to County.

7.4. Audit of Change Order Work. County is entitled to audit, in accordance with Paragraph 42 (Records and Audits) of Exhibit A (Additional Terms and Conditions), Contractor's compliance with Paragraph 7 (Change Notices and Amendments) in respect of Work performed pursuant to a Change Order.

7.5. Amendments to Exhibits: Notwithstanding anything to the contrary herein, each of the Exhibits, except Exhibit A (Additional Terms and Conditions) may be amended in writing and signed by the County Global Project Director and the Contractor Project Director, without approvals or signatures, subject to the County Global Project Director's prior consultation with County Counsel and/or CIO, and provided that any such amendment may not be inconsistent with either the this Base Agreement or Exhibit A or require County expenditures beyond available funds. To the extent that any such amendment is subsequently found to be inconsistent with this Base Agreement or Exhibit A, the provisions of the amendment shall be severable and the inconsistency shall be deemed void, with the other provisions remaining in full force and effect.

8. TERM

The term of this Agreement shall commence as of July 1, 2008, subject to the Board of Supervisors approval ("Effective Date") and shall continue for ten years, unless terminated earlier as provided in this Agreement (the "Term").

9. PRICES AND FEES

9.1. General. Attached to this Agreement as Exhibit C (Price and Payments) is a summary of all fees applicable to this Agreement.

9.2. Taxes. The amounts set forth on Exhibit C (Price and Payments) include all amounts necessary for County to reimburse Contractor for all applicable California and other state and local Taxes on all Software and other Work procured by County from Contractor. County shall not be liable or responsible for reimbursement of any Taxes associated with such procurement except as expressly set forth on Exhibit C (Price and Payments). Contractor will be solely liable and responsible for, and shall pay such Tax directly to, the state or other taxing authority. In addition, Contractor shall be solely responsible for all Taxes based on Contractor's

income or gross revenue, or personal property Taxes levied or assessed on Contractor's personal property to which County does not hold title, and, accordingly, shall not invoice County for any such Taxes.

10. INVOICES AND PAYMENTS

10.1. Approval of Invoices. Except with respect to fee-for-scan payments for specific MRI Services, which are addressed in Exhibit C (Price and Payments), all invoices submitted by Contractor for payment must have the written approval of County Global Project Director prior to any payment thereof. In no event shall County be liable or responsible for any payment prior to such written approval.

10.2. Submission of Invoices. Except with respect to fee-for-scan payments for specific MRI Services, which are addressed in Exhibit C (Price and Payments), to the extent payment is due from County to Contractor hereunder, Contractor shall invoice County upon completion of Tasks, Subtasks, Deliverables, goods and services and other Work which are specified in this Agreement, Exhibit C (Price and Payments), or a Change Order, as applicable, and which have been approved in writing by County pursuant to Paragraph 5 (Work). With regard to Maintenance Services for which additional payment is due from County, Contractor shall invoice County the Maintenance Fee on a monthly basis in arrears. All invoices and supporting documents under this Agreement shall be submitted in duplicate to the following addresses:

Chief Network Officer
Los Angeles County Department of Health Services
313 North Figueroa Street
Los Angeles, California 90012

With a copy as Contractor deems appropriate in its discretion to the impacted County Facility(ies) as follows:

Candace Gray, Radiology Manager
Harbor-UCLA Medical Center
1000 W. Carson Street
Torrance, CA 90509
(310) 222-2807
Internet Address: cgray@dhs.lacounty.gov

Willie Smoot, Interim Director of Radiology
Rhonda Bean, Hospital Administration
Martin Luther King, Jr. Multi-Service Ambulatory Care Center
12021 S. Wilmington Ave
Los Angeles, CA 90059
Internet Address: wsmoot@dhs.lacounty.gov – (310) 668-4826
rbean@dhs.lacounty.gov – (310) 668-5553

Dexter Moon, Expenditure Management - Contracts
Olive View/UCLA Medical Center
14445 Olive View Drive
Sylmar, CA 91343
(818) 364-3418
Internet Address: dmoon@dhs.lacounty.gov

Attention: Bob Sweeney, Director, Facilities Management
Rancho Los Amigos National Rehabilitation Center
7601 E. Imperial Hwy.
Downey, CA 90242
(562) 401-7291
Internet Address: bsweeney@dhs.lacounty.gov

Attention: Daniel Amaya, Hospital Administrator
LAC+USC Medical Center
1200 State Street
Los Angeles, CA 90033
(323) 226-7291
Internet Address: damaya@dhs.lacounty.gov

10.3. Detail. Each invoice submitted by Contractor shall include:

- i. The Tasks, Subtasks, Deliverables, goods, services, or other Work for which payment is claimed, including a copy of the fully executed Task/Deliverable evidencing County Global Project Director's approval of such Work, and the amount of payment therefor.
- ii. Indication of any applicable credits due to County under the terms of this Agreement, including credits for any liquidated damages assessed in accordance with Paragraph 20 (Fair Labor Standards) of Exhibit A (Additional Terms and Conditions) should be provided.

10.4. No Partial or Progress Payments. No partial or progress payments towards anticipated or substantial completion of Tasks or Deliverables, or other Work, will be made under this Agreement.

10.5. Invoice Discrepancy Report. County Global Project Director or County Global Project Director's designee shall review all invoices for any discrepancies and issue an "Invoice Discrepancy Report" (or "IDR"), a form of which is attached hereto as Schedule 10.5 (Invoice Discrepancy Report), to Contractor within ten (10) days of receipt of invoice if payment amounts are disputed. Contractor shall review the disputed charges and send a written explanation detailing the basis for the charges within ten (10) days of receipt of the IDR from County Global Project Director. If County Global Project Director does not receive a written response within ten (10) days of County's notice to Contractor of an IDR, then County payment will be made, less the disputed charges, which payment shall not limit Contractor's right to pursue any disputed amounts.

10.6. County's Right to Withhold. Except with respect to fee-for-scan payments for specific MRI Services, which are addressed in Exhibit C (Price and Payments), and Maintenance Fees, in addition to any rights of County provided in this Agreement, or at law or in equity, County may, upon notice to Contractor, withhold payment for any Work while Contractor is in default hereunder, or at any time that Contractor has not timely provided County approved Work.

10.7. Approval. No Deficiency shall be deemed remedied until all necessary remedial action has been completed and approved in writing by County Global Project Director in accordance with the procedures set forth in Paragraph 6 (Work).

11. EXCLUSIVE PROVISION OF MRI SERVICES:

11.1. Contractor shall have the sole and exclusive right to provide MRI services for all County patients at County Facilities, except LAC+USC, and, notwithstanding anything to the contrary herein, County shall not, directly or indirectly, provide competing services at any time, except as contemplated pursuant to Paragraph 11.3.

11.2. Notwithstanding Paragraph 11.1, Contractor shall have the sole and exclusive right to provide Open MRI services for all County patients at each County Facility, including LAC+USC, but only to the extent Contractor provides or arranges Open MRI services at a facility within a twenty (20) mile radius of the County Facility.

11.3. Paragraph 11.1 is not intended and shall not be construed to prohibit County from transferring ownership and/or control of any County Facility, and Paragraph 11.1 shall not apply to any former County Facility following any such transfer. However, Paragraph 11 of Exhibit A shall apply to any such transfer.

12. COUNTY'S OBLIGATIONS FOR FUTURE FISCAL YEARS

Notwithstanding any other provision of this Agreement, either expressly or by implication, County shall not be obligated for Contractor's performance hereunder or by any provision of this Agreement during any of County's future fiscal years unless and until the Board appropriates funds for this Agreement in County's budget for each such future fiscal year. In the event that funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated and such termination shall be deemed an unauthorized termination, unless there is an available termination provision hereunder and County appropriately notifies Contractor thereof. County shall endeavor to notify Contractor in writing of any such non-appropriation of funds at the earliest possible date.

13. DEFICIENCIES

13.1. Deficiencies. As used herein, the term "Deficiency" shall mean and include, as applicable to any Work provided by or on behalf of Contractor to County: any malfunction, error, or Defect in the design, development, installation or implementation of Work; any error or omission, or deviation from the Specifications or mutually agreed upon industry standards, or any other malfunction or error (other than a defect, error, omission or deviation caused by County's modification).

13.2. Corrective Measures. County Global Project Director shall notify Contractor Project Director of any Deficiency in writing, or if not practicable, orally to either Contractor Project Director or Contract Project Manager. Upon the earlier of (a) notice (orally or in writing) from County, or (b) Contractor's discovery of such Deficiency, Contractor shall promptly commence corrective measures to remedy any Deficiency, and shall remedy such Deficiency, in accordance with the timelines set forth in Exhibit D (Maintenance and Support).

13.3. Approval. No Deficiency shall be deemed remedied until all necessary remedial action has been completed and approved in writing by County Global Project Director in accordance with the procedures set forth in Paragraph 5 (Work).

14. WARRANTIES

14.1. Warranty Period

Contractor hereby warrants to County that the MRI Services shall be made available at all times during the period from Go-Live through Final Acceptance Test (hereinafter "Warranty Period"). In the event of Downtime of the MRI System during the Warranty Period, Contractor shall provide a Mobile Unit to the extent required under Exhibit D (Maintenance and Support).

14.2. Correction of Deficiencies

Any and all Deficiencies related to the MRI System, including MRI Equipment and Interfaces, shall be corrected in accordance with Exhibit D (Maintenance and Support).

14.3. General Warranties

Contractor represents, warrants, covenants and agrees that throughout the term of this Agreement:

- A. Contractor shall comply with the descriptions and representations (including, but not limited to, Deliverable documentation, performance capabilities, accuracy, completeness, characteristics, Specifications, configurations, standards, functions and requirements applicable to professional software design meeting industry standards) set forth in this Agreement, including Exhibit B, Part III – Information Technology (Statement of Work).
- B. All tasks, subtasks, Deliverables, goods, services and other work shall be performed in a timely and professional manner by qualified personnel.
- C. All tasks, subtasks, Deliverables, goods, services, and other work shall be completed in accordance with this Agreement and Deliverable documentation.
- D. Contractor shall not cause any unplanned interruption of the operations of, or accessibility to the System or any System component through any device, method or means including, without limitation, the use of any "virus", "lockup", "time bomb", or "key lock", "worm", "back door" or "Trojan Horse" device or program, or any disabling code, which has the potential or capability of

compromising the security of County's confidential or proprietary information or of causing any unplanned interruption of the operations of, or accessibility of the System or any System component to County or any user or which could alter, destroy, or inhibit the use of the System, any System component, or the data contained therein (collectively referred to for purposes of this Paragraph as "Disabling Device(s)"), which could block access to or prevent the use of the System or any System component by County or users. Contractor represents, warrants and agrees that it has not purposely placed, nor is it aware of, any Disabling Device on any System component provided to County under this Agreement, nor shall Contractor knowingly permit any subsequently delivered System component to contain any Disabling Device, other than lock-offs contained on the delivered media which only prevents use of software contained on such media other than System components.

In addition, Contractor shall use reasonable commercial efforts to prevent viruses from being incorporated or introduced into the System Software or updates or enhancements thereto prior to delivery and installation thereof to County, and shall utilize reasonable commercial efforts, including using the latest commercially available virus protection software, to prevent any viruses being incorporated or introduced in the process of Contractor's loading of System Software, or updates and enhancements thereto, or being introduced in the process of Contractor's performance of on-line support.

14.4. Breach of Warranty Obligations

Failure by Contractor to timely perform its obligations set forth in this Paragraph shall constitute a material breach, upon which, in addition to County's other rights and remedies set forth herein, County may, after written notice to Contractor and provision of a reasonable cure period, terminate this Agreement in accordance with Paragraph 4 (Termination for Default) of Exhibit A (Additional Terms and Conditions).

14.5. Disclaimer of Other Warranties

THE WARRANTIES SET FORTH IN THIS PARAGRAPH ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

15. **MAINTENANCE AND SUPPORT SERVICES**

15.1. Maintenance and Support

Contractor shall provide maintenance and support services (collectively, "Maintenance and Support") to County for the term of this Agreement in accordance with this Agreement and Exhibit D (Maintenance & Maintenance). Notwithstanding anything to the contrary in this Agreement or the Exhibits, Contractor's Maintenance and Support obligations under this Agreement shall be strictly limited to the hardware and software provided by Contractor hereunder, whether directly or through a third party vendor. Under no circumstances shall Contractor be responsible in any way, including with respect to the functioning, maintenance,

repair or replacement, for any other hardware or software, whether or not linked or interfaced to Contractor hardware or software, and County shall be responsible, at its sole cost, to ensure that any such hardware and software is fully functional during the term of this Agreement.

15.2. Hardware and Software from Third Party Vendors

Regarding all hardware and software obtained by Contractor from third party vendors and provided to County hereunder, including the MRI Equipment, Contractor is not making any warranty of any kind and Contractor's sole responsibility shall be to provide maintenance as recommended by the original equipment manufacturer, and otherwise to take such actions, at Contractor's sole cost, as necessary to maintain the original equipment manufacturer's warranties. Further, Contractor's obligation regarding such hardware and software, including any need to repair or replace the hardware and software, shall be limited to using commercially reasonable efforts to ensure the original equipment manufacturer's compliance with applicable warranties, and no indemnification or other obligation under this Agreement is intended nor shall be construed to impose any greater obligation on Contractor.

Contractor may, at any time during the term of this Agreement, obtain, at its sole discretion and cost, replacement hardware or software hereunder that is reasonably comparable to the initial hardware or software provided by Contractor if Contractor concludes that such replacement would be more efficient than obtaining available service agreements or for any other reason.

15.3. Exclusions

15.3.1. Notwithstanding anything in this Agreement to the contrary, Contractor shall not be responsible for replacing or repairing County Facilities, MRI Equipment, hardware, software or any other tangible or intangible property provided under this Agreement to the extent of damage or destruction resulting from (1) force majeure events as described in Paragraph 17 of Exhibit A (Additional Terms or Conditions), (2) negligence, willful actions or omission, or other actions inconsistent with Contractor instructions by County or its personnel, or (3) unforeseen events of which County is or should reasonably be aware and of which Contractor neither is nor should reasonably be aware.

15.3.2. Notwithstanding Paragraph 15.3.1, above, any insurance proceeds received by Contractor or County with respect to an action or event described in Paragraph 15.3.1 (1)-(3) shall be applied as mutually agreed by the parties to the replacement or repair of the relevant property as provided for in this Agreement.

15.3.3. In the event of any situation covered by Paragraph 15.3.1, above, County and Contractor will immediately commence discussions to determine who should coordinate any necessary replacement or repair, and how it will be funded.

16. OWNERSHIP AND LICENSE

16.1. Ownership

The Software to be provided to County pursuant to this Agreement, ("Contractor Software"), not including third party software (which software shall remain the property of the applicable third party), shall remain the property of Contractor, and all such Software is subject to the License granted to County pursuant to this Paragraph 16.

16.2. Software License

Upon (a) the Final Acceptance Date, and (b) County's payment to Contractor of all approved invoiced amounts for any software provided by Contractor under this Agreement for performance of Work hereunder, Contractor shall provide to County an irrevocable, unrestricted, non-exclusive license to be enjoyed by County during the term and for the purpose of this Agreement.

17. SYSTEM REQUIREMENTS

The System components, including MRI System and Interfaces shall meet the minimum requirements set forth in Attachment A-1 (System Requirements) to Exhibit B, Part III (Statement of Work – Information Technology). Contractor's failure to meet such minimum System requirements shall constitute a Deficiency, entitling County to the remedies set forth in Exhibit D (Maintenance and Support).

18. INTENTIONALLY OMITTED

19. SYSTEM ACCEPTANCE

19.1. Final Acceptance and Acceptance Tests

All Acceptance Tests shall be conducted and Final Acceptance shall be determined in accordance with Exhibit B, Part III (Statement of Work – Information Technology).

19.2. County shall give Contractor written notice of each Acceptance Test; and designated representatives of Contractor may observe the Acceptance Tests and verify the results as Contractor deems necessary or appropriate. Upon satisfactory completion of each Acceptance Test, Contractor shall deliver to County a written certification of successful completion of the applicable Acceptance Test.

20. PRODUCTION USE

Following installation by Contractor and prior to Final Acceptance by County, County shall have the right to use, in production mode, any completed portion of the System, without any additional cost to County where County determines that it is necessary for County operations. Such production use shall not restrict Contractor's performance under this Agreement and shall not be deemed to be Contractor's achievement of Final Acceptance.

21. CONTRACTOR'S OFFICES

Contractor's business offices are located at InSight Health Corp., 26250 Enterprise Court, Suite 100, Lake Forest, CA 92630-8405. Contractor shall notify County of any change in its business address at least ten (10) Calendar days prior to the effective date thereof.

22. NOTICES

All notices or demands required or permitted to be given or made under this Agreement, unless otherwise specified, shall be in writing and shall be addressed to the parties at the following addresses and delivered: (a) by hand with signed receipt; (b) by first-class registered or certified mail, postage prepaid; (c) by facsimile or electronic mail transmission followed within twenty-four (24) hours by a confirmation copy mailed by first-class registered or certified mail, postage prepaid; or (d) by overnight commercial carrier, with signed receipt. Notices is deemed given at the time of signed receipt in the case of hand delivery, three (3) days after deposit in the United States mail as set forth above, on the date of facsimile or electronic mail transmission if followed by timely confirmation mailing, or on the date of signature receipt by the receiving part of any overnight commercial carrier delivery. Addresses may be changed by either party giving ten (10) days prior notice in accordance with the procedures set forth above, to the other party.

To County:

Chief Network Officer
Los Angeles County Department of Health Services
313 North Figueroa Street
Los Angeles, California 90012

With a mandatory copy to:

County Counsel, Los Angeles County
Julia Weissman, Deputy County Counsel
500 West Temple Street
Los Angeles, California 90012
Attention: Julia Weissman
Internet Address: jweissman@counsel.lacounty.gov

With a copy as Contractor deems appropriate in its discretion to the impacted County Facility(ies) as follows:

Harbor-UCLA Medical Center
Miguel De Los Reyes, Hospital Administration
1000 W. Carson Street
Torrance, CA 90509
Internet Address: mdelosreyes@dhs.lacounty.gov

Martin Luther King, Jr. Multi-Service Ambulatory Care Center
Willie Smoot, Interim Director of Radiology
Rhonda Bean, Hospital Administration
12021 S. Wilmington Ave
Los Angeles, CA 90059
Internet Addresses: wsmoot@dhs.lacounty.gov
rbean@dhs.lacounty.gov

Olive View/UCLA Medical Center
Dexter Moon, Expenditure Management - Contracts
14445 Olive View Dr.
Sylmar, CA 91343
Internet Address: dmoon@dhs.county.gov

Rancho Los Amigos National Rehabilitation Center
Cheryl Guinn, Director of Managed Care
7601 E. Imperial Hwy.
Downey, CA 90242
Internet Address: cguinn@dhs.lacounty.gov

LAC+USC Medical Center
Daniel Amaya, Hospital Administrator
1200 State Street
Los Angeles, CA 90033
Internet Address: damaya@dhs.lacounty.gov

To Contractor:

InSight Health Corp.
26250 Enterprise Court, Suite 100
Lake Forest, CA 92630
Attention: Audrey Garner, Regional Director of Operations
Internet Address: agarner@insighthealth.com

With a mandatory copy to:

Michael Brown, Esq.
General Counsel Office
InSight Health Corp.
26250 Enterprise Court, Suite 100
Lake Forest, CA 92630

County Global Project Director shall have the authority to issue all notices or demands, which are required or permitted by County under this Agreement.

23. ARM'S LENGTH NEGOTIATIONS

This Agreement is the product of an arm's length negotiation between Contractor and County. Each party has had at all times the opportunity to receive advice from independent counsel of its own choosing. Accordingly, this Agreement is to be interpreted fairly as between the parties, and not strictly construed as against either party as drafter or creator.

24. SURVIVAL

The following Paragraphs of this Agreement shall survive its expiration or termination for any reason: 1, 3, 4, 5, 6, 7 and all the terms and conditions set forth in Exhibit A of the (Additional Terms and Conditions).

[Intentionally Left Blank]

AGREEMENT
BETWEEN COUNTY OF LOS ANGELES
AND
INSIGHT HEALTH CORP.

IN WITNESS WHEREOF, the Los Angeles County Board of Supervisors has caused this Agreement to be subscribed by its Chairperson and the seal of such Board to be hereto affixed and attested by the Executive Officer thereof, and Contractor has caused this Agreement to be subscribed in its behalf by its authorized officer, effective as of the date approved by such Board.

COUNTY OF LOS ANGELES

By _____
John Schunhoff, Ph.D
Interim Director

APPROVED AS TO FORM:
COUNTY COUNSEL

By _____
Julia Weissman
Deputy County Counsel

INSIGHT HEALTH CORP.
CONTRACTOR

Contractor

Signed _____

Printed _____

Title _____
(AFFIX CORPORATE SEAL)

APPROVED AS TO CONTRACT
ADMINISTRATION:
Department of Health Services

By _____
Cara O'Neill, Chief,
Contracts and Grants

Exhibit II to the Board Letter

GROUND LEASE AND AGREEMENT FOR MAGNETIC RESONANCE IMAGING
CENTER

GROUND LEASE AND AGREEMENT
FOR MAGNETIC RESONANCE IMAGING CENTER
COUNTY OF LOS ANGELES

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EXHIBITS

- A. Premises [to include associated parking lots]
- B. Construction Statement of Work

THIS GROUND LEASE AGREEMENT (the "Lease") is made and entered into this _____ day of _____, 2008 (the "Effective Date"), BY AND BETWEEN COUNTY OF LOS ANGELES (the "Lessor" and/or the "County"), AND INSIGHT HEALTH CORP, a _____ Corporation (the "Lessee").

RECITALS:

WHEREAS, Lessor is the fee owner of the real property containing approximately square feet of _____ land located at _____, _____ (the "Premises"), which is more particularly outlined in Exhibit "A" attached hereto and incorporated herein by this reference; and

WHEREAS, Lessor is prepared to lease the Premises to the Lessee, pursuant to Government Code Section 26227, in order for Lessee to construct improvements on the Premises at Lessee's sole expense, and to occupy the Improvements for use as a Magnetic Resonance Imaging ("MRI") Center and such other purposes as are related thereto ("Lessee's Uses"); and

WHEREAS, Lessee's use of the Premises as an MRI Center is in accordance with a valid Operating Agreement ("Operating Agreement") approved by the County and dated _____ [OR and executed concurrently herewith by the County's Board of Supervisors] and;

WHEREAS, the building to be built on the Premises by Lessee for the purposes of providing a location for the Lessee's Uses (the "Building") shall consist of approximately _____ gross square feet plus related site improvements in accordance with the entitlements, permits, plans and specifications issued or approved by the County of Los Angeles, all of which Building and related improvements are hereinafter collectively referred to as the "Improvements." The Premises, Improvements and all changes and alterations thereto are hereinafter collectively referred to as the "MRI Project."

NOW, THEREFORE, in consideration of the terms and conditions hereinafter contained, and the foregoing recitals, each of which is deemed a contracted part hereof, Lessor and Lessee agree as follows:

1. GROUND LEASE AND TERM THEREOF: For and in consideration of the sum of One and No/100 Dollars (\$1.00), receipt of which is hereby acknowledged, Lessor hereby leases to Lessee, and Lessee hires from Lessor, the Premises, subject to the terms, covenants, conditions, exceptions, and/or reservations as hereinafter set forth.

A. As-Is.

(1) As-Is Specifications A portion of the Premises contains a modular building with foundation and pavement. Lessee accepts the Premises as so improved in its present condition notwithstanding the fact that there may be certain defects in the Premises at the time of the Effective Date. Lessee hereby represents that in connection with its acceptance of the Premises, Lessee has been given the opportunity to perform such tests, inspections, reviews,

studies and investigations respecting the Premises as so improved as it considers necessary or appropriate to adequately evaluate the condition and other aspects of the Premises. Lessee hereby accepts the Premises as so improved on an "AS IS WITH ALL FAULTS" basis and, except as expressly set forth in this Lease, Lessee is not relying on any representation or warranty of any kind whatsoever, express or implied, from County or any other governmental authority or public agency, or their respective agents or employees, as to any matters concerning the Premises and/or any improvements located thereon, including without limitation representation or warranties regarding: (i) the quality, nature, adequacy and physical condition and aspects of the Premises and/or any improvements located thereon, including, but not limited to, the appurtenances, access, landscaping, parking facilities and the electrical, mechanical, utility systems, and the square footage of the land; (ii) the quality, nature, adequacy and physical condition of soils, geology and any groundwater; (iii) the development potential of the Premises, and the use, habitability, merchantability or fitness, or the suitability, value or adequacy of the Premises and/or any improvements located thereon for any particular purpose; (iv) the zoning or other legal status or entitlement or lack thereof of the Premises or any other public or private restrictions on use of the Premises; (v) the compliance of the Premises and/or any improvements located thereon with any applicable codes, laws, rules, regulations, statutes, resolutions, ordinances, covenants, conditions and restrictions of the State of California, the United States of America, and/or any other governmental or quasi-governmental entity, except the County of Los Angeles (collectively the "Applicable Laws") or of any other person or entity (including, without limitation, relevant provisions of the Americans with Disabilities Act ("ADA")); (vi) the presence of any underground storage tank or hazardous materials on, under or about the Premises or the adjoining or neighboring property; (vii) the quality of any labor and materials used in any improvements on the Premises, (viii) the condition of title to the Premises, and (ix) the economics of the operation of the Premises and/or any improvements located thereon. Lessor shall not be responsible for any land subsidence, slippage, soil instability or damage resulting therefrom at or on the Premises. Lessor has no actual knowledge of any defects in the Premises as outlined above or otherwise which would adversely affect Lessee's leasehold interest or the use or value thereof. Except as otherwise expressly set forth herein or in the Operating Agreement, any risks assumed by Lessee hereunder shall be limited solely to the Premises, and nothing in this Paragraph or otherwise is intended nor shall be construed to impose any obligation on Lessee beyond the Premises, except to the extent such obligation arising or occurring outside the Premises is a result of Lessee's particular use of the Premises. For example, to the extent obligations are imposed regarding the Improvements under ADA, Lessee shall be responsible, at its sole cost, for complying with such ADA obligations in connection with the Improvements and shall not be responsible for any compliance required beyond the Premises and Improvements, unless such ADA obligations beyond the Premises are a result of Lessee's particular use of the Premises, in which case Lessee shall be solely responsible for compliance with such ADA obligations.

(2) Reservations. Lessee expressly agrees that this Lease and all rights hereunder shall be subject to all encumbrances, reservations, licenses, easements and rights of way: (a) existing as of the Effective Date, (b) otherwise referenced in this Lease in, to, over or affecting the Premises for any purpose whatsoever, or (c) consented to by Lessee. Without limiting the foregoing, Lessee expressly agrees that this Lease and all rights hereunder shall be subject to all prior matters of record and the right of County existing as of the Effective Date or otherwise disclosed to or known to Lessee, as their interests may appear, to install, construct,

maintain, service and operate sanitary sewers, public roads and sidewalks, fire access roads, storm drains, drainage facilities, electric power lines, telephone lines and access and utility easements across, upon or under the Premises, together with the right of County to convey such easements and transfer such rights to others. Notwithstanding the foregoing or anything herein to the contrary, County agrees to cooperate with Lessee, upon compensation to County of its Actual Cost, as hereinafter defined, in Lessee's efforts to address title matters, if any, which would prevent Lessee from proceeding with the Improvements, as long as such efforts do not materially adversely affect the County (e.g., by way of illustration only, cooperating with Lessee in the relocation at Lessee's cost of any easements which interfere with the Improvements, to the extent such relocation is reasonably acceptable to County).

(3) Ingress and Egress. Lessor extends to Lessee the right of non-exclusive ingress and egress to Lessor's land over existing and future Lessor road systems and through building circulation spines leading to the Project during the Lease term.

(4) Material Impact on Lessee's Uses. In the event the Improvements cannot be effectively operated as an MRI Center without material remediation, as reasonably determined by Lessee after consultation with Lessor, because of restrictions on or defects in the Premises unknown to Lessee before the Effective Date, Lessee may terminate this Lease. In the event of such termination, the Lessor and Lessee shall negotiate in good faith in order to establish alternate arrangements for Lessee to provide MRI services on the [Hospital] campus. In the event Lessor and Lessee are unable to agree on alternative arrangements within 90 days, Lessee shall be entitled to seek relief under Paragraph 12 of Exhibit B of the Operating Agreement.

(5) Lessor's Obligations Not Waived. Lessor acknowledges that Lessor has certain obligations regarding the Premises under this Agreement and the Operating Agreement, including without limitation obligations regarding telephones, utilities and landscaping, and nothing in this Paragraph 1 or otherwise shall excuse Lessor from fully complying with such obligations.

B. Term. The term of this Lease (the "Term") shall extend for a period of ten years, commencing upon the commencement of the Operating Agreement. In the event Lessee fails to commence construction of the Improvements or apply for the necessary permits within the time provided in Section 6.A.(3) hereof; this Lease shall end and expire upon notice from Lessor. The words "Term" or the "Term hereof," as used in this Lease, shall mean the initial Term as well as any Extension Term.

Notwithstanding the foregoing, in the event the Operating Agreement is terminated for any reason prior to the expiration of the Term (including any Extension Terms) hereof, this Lease shall automatically terminate concurrently with the termination of the Operating Agreement, without notice from the Lessor or Lessee.

In case Lessee holds over beyond the end of the Term provided with the consent, express or implied by Lessor, such tenancy shall be month-to-month only, subject to the terms and conditions of this Lease.

C. Early Possession. Lessee is entitled to possession of the Premises on the Effective Date for construction of the Building and Improvements in accordance with Section 6 hereof.

2. LEASE CONSIDERATIONS: As consideration for Lessor leasing the Premises to Lessee hereunder:

A. Lessee shall continue to use and maintain the existing modular building located at the Medical Center (or Lessee shall provide a mobile unit upon the Premises) until the Building is completed and Lessee has received beneficial occupancy. [MAY NEED TO BE MODIFIED DEPENDING ON THE PARTICULAR FACTS FOR EACH LOCATION.]

B. Lessee shall, at its sole cost and expense, construct the Improvements in accordance with Section 6 hereof, and maintain the Improvements as provided herein, and operate without interruption the Building (collectively, "Lessee's Obligations"). Lessee's failure to perform Lessee's Obligations shall constitute a material default under this Lease..

C. Lessee acknowledges that Lessor has a security interest in all plans, drawings, specifications, documents evidencing governmental approvals or partial approvals, permits, environmental documents, soil, engineering and planning studies, working drawings, architect agreements, construction contracts and agreements pertaining to the Lessee's MRI Center Project, together with all amendments thereto (hereinafter collectively called the "Development Documents"), to the extent of Lessee's interest in such Development Documents. Lessee further acknowledges its affirmative obligation to use good faith, best efforts to secure the full right, title and lien-free ownership interest in all Development Documents. Upon any cancellation or termination of this Lease, Lessor, or its assignee, shall immediately receive true copies of all Development Documents of Lessee related to the development of the Lessee's MRI Center Project to the extent covered by this Paragraph. The Lessee shall, however, retain its proprietary interest in the Development Documents and such documents may not be used by the Lessor, other than use that is incidental to the maintenance, repair or remodeling of the Improvements, without the prior express written consent of the Lessee.

D. Lessee shall perform all obligations required by this Lease, including those contained in the exhibits to this Lease.

E. Lessee acknowledges that the costs associated with the demolition or removal of any County improvements on the Premises shall be solely the Lessee's responsibility.

F. Lessee acknowledges that all costs associated with the preparation of any environmental documentation for compliance with the California Environmental Quality Act and legal descriptions related to the Premises and this Lease shall be solely Lessee's responsibility.

G. Lessee shall provide all Development Documents to Lessor for approval in accordance with Section 6 hereof.

H. Lessee shall reimburse Lessor for all of Lessor's Actual Costs incurred in performing obligations required to be performed by Lessee under this Lease which Lessee fails to perform within the applicable cure period (if any). Lessor shall reimburse Lessee for all of

Lessee's Actual Costs incurred in performing obligations required to be performed by Lessor under this Lease which Lessor fails to perform within the applicable cure period (if any). "Actual Costs" shall mean the reasonable out-of-pocket costs and expenses incurred with respect to a particular activity or procedure, including without limitation, expenditures to third party legal counsel, financial consultants and advisors.

I. The parties hereto shall execute the Operating Agreement. Lessor's obligations and Lessee's rights under this Lease are conditioned on Lessee's performance under the Operating Agreement.

3. USES: APPLICABLE LAWS:

A. Uses:

(1) Lessee shall construct on the Premises the Lessee's MRI Project as specified in Section 6 hereof and occupy same for the purpose of providing MRI and related services, including research, in a manner not inconsistent with the terms of the Operating Agreement.

(2) Lessee shall comply with its obligations and be subject to all applicable governmental regulatory agencies and all applicable rules and regulations of County in connection with the operation of the MRI Project as promulgated from time to time by the County.

B. Compliance with Applicable Laws: The Lessee's MRI Project, or any part thereof, shall not be used or permitted to be used for any activity which constitutes a nuisance. Subject to Lessee's right to contest in accordance with Section 3.C. hereof, Lessee shall, at its sole cost and expense, conform to, and cause all persons using or occupying any part of the MRI Project which is under Lessee's control to comply with all Applicable Laws that may be in effect from time to time applicable to the construction of the Improvements and/or to the use of the Lessee's MRI Project. Lessee hereby warrants and covenants that the operation of MRI Project shall not interfere with any functions of Lessor outside of the Premises. Lessee covenants and agrees to indemnify and to hold Lessor harmless from any penalties, damages, or charges imposed for any violation of any and all Applicable Laws, whether occasioned by neglect, omission, or willful act of Lessee or any person (other than Lessor, its officers, agents, employees, guests, and invitees) by license, invitation, sublease, assignment, or any other arrangement with Lessee.

C. Right to Contest Applicable Laws: Lessee shall have the right to contest, by appropriate judicial or administrative proceedings, without cost or expense to Lessor, the validity or application of any present or future Applicable Laws which restrict Lessee's use of the Lessee's MRI Project or which require Lessee to repair, maintain, alter, or replace the Lessee's MRI Project in whole or in part. Lessee shall not be in default for failing to exercise its rights under this clause or for failing to commence repairs, maintenance, alterations, or replacement obligations imposed by such Applicable Laws, until a reasonable time following the final judgment and conclusion of appeals in Lessee's administrative and judicial proceedings, provided that Lessee protects Lessor and the Lessee's MRI Project from any lien by surety bond

or other security reasonably satisfactory to Lessor. Lessor may, but is not obligated to, join in the Lessee's contest but Lessor shall have full subrogation rights in the event of Lessee's failure to contest. Lessee's right to contest must be exercised in such manner as to avoid any exposure of the Lessee's MRI Project or any part thereof to foreclosure or execution sale.

4. TAXES AND ASSESSMENTS:

A. Payment of Taxes: Lessee shall have sole responsibility to pay promptly any applicable personal property taxes, real property taxes, rental taxes, excise taxes, business and occupation taxes and assessments, or taxes or charges of any kind or nature whatsoever (hereinafter referred to collectively as "Taxes") levied or assessed against the Lessee's MRI Project, Lessee's operations on the Premises, or against Lessee's possessory interest, by any government entity. Lessee's leasehold interest may be subject to property taxation and Lessee agrees to pay any property tax levied on any such interest.

B. Indemnity: Lessee agrees to indemnify and hold Lessor harmless from the payment of Taxes under Paragraph 4.A., including any penalties and interest associated therewith. Lessee further agrees to prevent said Taxes from becoming delinquency liens upon the Lessee's MRI Project, and except where Lessee notifies Lessor in writing that Lessee is contesting or proposes to contest Taxes, to allow Lessor to pay such Taxes which have become more than 90 days delinquent. Lessor shall in no way be obligated to pay such Taxes which come delinquent; but, if Lessor makes such payments, they will become immediately due and payable to Lessor by the Lessee and shall include any late charge or penalties assessed.

C. Lessee's Right to Contest Taxes: Lessee shall have the right, at its own expense, to contest the amount or validity of any Taxes by appropriate proceedings diligently conducted in good faith which shall operate to prevent the collection of any Taxes so contested or the sale of the Lessee's MRI Project or any part thereof to satisfy the same. Pending final judgment and appeals of any such legal proceedings, Lessor shall not have the right to pay, remove, or discharge any Taxes thereby contested, provided that Lessee shall protect Lessor and the Lessee's MRI Project from any lien by adequate surety bond or other security reasonably deemed appropriate by Lessor.

D. Proration of Taxes: If, at any time during the term of this Lease, any Taxes are levied for a benefit which shall have a useful life longer than the remaining Lease Term then whether or not such Taxes are actually paid in installments, Lessee shall only be responsible to pay that portion of the Taxes which would have been payable during the term of this Lease, had such Taxes been paid in installments. If Taxes become due and payable after the expiration or termination of the Lease, Lessee, within 15 days of such expiration or termination, shall pay Lessor its pro rata share of such Taxes. To the extent that Lessee pays such taxes in excess of its pro rata share prior to termination, Lessor shall promptly return the excess upon expiration or other termination of the Lease.

5. UTILITIES:

A. Consent From Lessor: Lessee shall not enter into any contract or agreement with any governmental agency or body or public utility with reference to sewer lines,

water lines, street improvements, street lighting, or utility connections, lines, or easements without the prior written consent of Lessor. All costs associated with bringing required utilities to the Lessee's MRI Project, including related professional and service charges, and the costs of connections to the utility system shall be considered part of the construction cost of the Lessee's MRI Project and shall be solely the Lessee's responsibility.

6. CONSTRUCTION:

A. Construction of Improvements:

(1) Construction: Construction of the Improvements and construction of any future alterations or replacements of the Improvements (all of which construction is hereinafter referred to sometimes as "Work") shall be performed in accordance with Exhibit B (Construction – Statement of Work) and subject to the conditions hereinafter set forth, which Lessee covenants to observe and perform.

(2) Governmental Approvals: Work shall not be undertaken until Lessee shall have provided and paid for, so far as the same may be required, from time to time, all applicable municipal and other governmental permits and authorizations of the various municipal departments and governmental agencies having jurisdiction over the Work. No zoning changes or variances may be obtained except with Lessor's prior written consent, provided that Lessor shall not unreasonably withhold its consent to any petition or application for zoning change or variance as may be required for the construction of the Improvements and the uses of the Premises and Improvements permitted pursuant to this Lease. In the event, however, that any application or petition is rejected or returned for revision and Lessee is making a good faith, reasonably diligent effort to complete the necessary revisions to the plans or applications, then Lessee shall be granted an additional six months within which to obtain the necessary approvals.

(3) Commencement and Completion of Construction: All Work shall be completed at the expense of Lessee, including capital and financing costs, and without expense to Lessor. All Work shall be prosecuted to completion with due diligence. Notwithstanding the foregoing, Lessee shall use good faith, reasonable efforts to commence construction of the Improvements in accordance with the Development Plan within 30 days of the issuance of all necessary permits for the site, but in no event later than 90 days from the issuance of such permits, and shall use good faith, reasonable efforts to complete the same at each site (except normal punchlist items) within 120 days following the commencement of construction, but in no event later than 180 days. Lessee shall apply for all permits required for commencement of construction of the Improvements within 90 days of the Effective Date hereof. For purposes of this Lease, the commencement of construction shall be the first date upon which construction activity for the Improvements is begun. Notwithstanding the foregoing, if Lessor fails to respond to any request for approval described in Section 6.C. hereof within the time frames provided therein, then Lessee shall be entitled to a day-for-day extension of the time periods set forth in this Section 6.A.

B. Construction Standards:

(1) General Construction Standards: In connection with all Work, construction, alteration, or repair work permitted herein, Lessee shall take all reasonably necessary measures to minimize any damage, disruption or inconvenience caused by such Work and shall make adequate provision for the safety and convenience of all persons affected thereby. Lessee shall repair, at its own cost and expense, any and all damage caused by such Work, and shall restore the area upon which such Work is performed to a condition which is at least equal to or better than the condition which existed prior to the beginning of such Work, ordinary wear and tear excepted. In addition, Lessee shall pay (or cause to be paid) all Lessee's Actual Costs and expenses associated therewith, except as otherwise provided in Section 2(H) hereof, and shall indemnify and hold Lessor harmless from all damages, losses, or claims attributable to the performance of such Work. In addition, Lessee shall comply with the Statement of Work requirements set forth in Exhibit B.

(2) Utility Work: Any work performed by or on behalf of Lessee or any occupant of the Premises to connect to, repair, relocate, maintain or install any storm drain, sanitary sewer, water line, gasoline, telephone conduit or any other public utility service shall be performed so as to minimize interference with the provision of such services to occupants of _____ Medical Center and other persons.

(3) Compliance with Applicable Laws: All improvements on the Premises shall be constructed in compliance with all Applicable Laws. Lessee shall have the sole responsibility for obtaining all necessary permits and shall make application for such permits directly to the person or governmental agency having jurisdiction thereover.

(4) Prevailing Wages: Where labor is required for public work as part of any requirements covered by this Lease, pursuant to the provisions of the Labor Code of the State of California, Lessee shall pay no less than the prevailing wages ascertained and published by the State Department of Industrial Relations and on file with the Board of Supervisors, and shall cause notice of such wages to be posted as required by the Labor Code.

(5) Construction Safeguards: Lessee shall erect and properly maintain at all times, as required by the conditions and the progress of Work performed by Lessee, all necessary safeguards for the protection of workers and the public.

(a) Rights of Access: Representatives of Lessor shall have the right of reasonable access to the Premises and the improvements thereon at normal construction hours during the period of construction, for the purpose of ascertaining compliance with the terms of this Lease, including, but not limited to, the inspection of the construction work being performed. Lessor's access shall be reasonably calculated to minimize interference with Lessee's construction and/or operations.

(b) Notice of Completion: Upon completion of construction of any building on the Premises, Lessee shall file or cause to be filed in the Official Records of the County of Los Angeles a Notice of Completion (each a "Notice of Completion") with respect to said Improvements, and Lessee shall provide for Lessor a diagram and shall label and identify all

electrical panels, circuit breakers, switches, fire sprinklers and plumbing shut off valves as to areas controlled both on the drawings and on the breaker panels and valves.

C. APPROVAL OF PLANS:

(1) Construction Plans, Drawings and Related Documents: Within ____ days of the date of approval of this Lease by the County, in addition to any plans that must be submitted to the local municipal jurisdiction(s) having authority to permit construction projects, Lessee shall also prepare and submit construction plans, drawings and related documents for architectural and site planning review by the County of Los Angeles, Department of Public Works, on behalf of County.

If any revisions or corrections of plans shall be required by any governmental official, agency, department or bureau having jurisdiction, or any lending institution involved in financing, Lessee and Lessor shall cooperate in efforts to comply therewith or to obtain a waiver of such requirements or to develop a mutually acceptable alternative, provided that such cooperation shall be at no cost to the Lessor.

(2) Approval of Plans, Drawings and Related Documents: Subject to the terms of this Lease, the Lessor shall have the right to review and approve all Development Documents, including any material changes or amendments thereto in accordance with Exhibit B, and Lessee shall submit copies of Development Documents to Lessor in accordance with Exhibit B. Lessor's failure to approve of the Development Documents within 30 days following receipt of same shall be deemed approval thereof. Lessor's approval shall not be unreasonably withheld. However, such Lessor review and approval shall not relieve Lessee of any obligations under this Lease, including any regulatory requirements imposed by federal, state or local governments.

(a) Following Completion of Construction:

(i) Remodeling: Lessee shall have the right, at its expense, following issuance of a Notice of Completion for the Improvements, without Lessor's consent and without submission of plans or evidence of financing (but subject to all other provisions of this Lease), to undertake any nonstructural interior remodeling of any structure or any of the Improvements that is not visible from the outside and does not alter the exterior appearance, or the preexisting location of the Improvements on the Premises.

(ii) Alterations and Additions: Lessee shall have the right, at its expense, at any time following issuance of the Notice of Completion to undertake any alteration or addition on the Premises that is not included in Section 6.C.(1)a(i) above, subject to the written approval of Lessor and compliance with all of the provisions of this Section 6.

(iii) Relocation of Improvements Lessor shall have the right, at its expense, upon 12 months written notice to Lessee, to have Lessee relocate the Improvements to another site within the _____ Medical Center grounds. Further, Lessor shall reimburse Lessee for all Actual Costs Lessee incurs in connection with the relocation, including without limitation any Actual Costs incurred in providing a Mobile MRI Unit, all as reasonably determined by Lessee. Lessor shall be solely responsible, at its expense, for any

demolition and removal required in connection with the relocation which shall be performed in a good and workmanlike manner and in compliance with all applicable laws, leaving Lessor's land and other property safe and free from injury, debris and hazards. Lessor shall, at its expense, apply for and diligently pursue the necessary government approvals and permits to effect the described removal and relocation in a timely manner. Said relocation shall require a written amendment to this Lease, signed by both parties. The County's Chief Executive Office may negotiate, approve and execute such amendment on behalf of the County.

(3) Changes to Plans Following Approval: No material changes to the approved plans and specifications for the Work shall be made without the prior written approval of the Lessor. Any such proposed changes shall be submitted to Lessor for Lessor's approval or disapproval. Lessor shall have 30 days following receipt of the proposed changes in which to give its approval or disapproval. Any disapproval shall set forth in detail the reasons for disapproval. Lessor's failure to approve such proposed changes within the 30-day period shall be deemed approval thereof.

D. PROTECTION OF LESSOR:

(1) No Consent of Lessor: Nothing in this Lease shall be construed as constituting the consent of Lessor, express or implied, to the performance of any labor or the furnishing of any materials or any specific improvements, alterations of, or repairs to, the Premises or any part thereof by any contractor, subcontractor, laborer or materialman, nor as giving Lessee or any other person any right, power or authority to act as agent of or to contract for, or permit the rendering of, any services, or the furnishing of any materials, in such manner as would give rise to the filing of mechanics' liens or other claims against the fee of the Premises or the Lessee's MRI Center Project.

(2) Protection Against Liens: Lessor shall have the right at all reasonable times to post, and keep posted, on the Premises any notices which Lessor may deem necessary for the protection of Lessor and of the Premises and the Improvements thereon from mechanics' liens or other claims. Lessee shall give Lessor ten days prior written notice of the commencement of any work to be done on the Premises to enable Lessor to post such notices. In addition, Lessee shall make, or cause to be made, prompt payment of all monies due and legally owing to all persons doing any work or furnishing any materials or supplies to Lessee or any of its contractors or subcontractors in connection with the Premises and the Improvements thereon in accordance with Section 9 hereof.

(3) Notice: Should any claims of lien be filed against the Premises or the Improvements thereon, or any action affecting the title to the Premises or the Improvements thereon be commenced, the party receiving notice of such lien or action shall forthwith give the other party written notice thereof.

7. MAINTENANCE OF LESSEE'S PROJECT:

A. Lessor Responsibilities: Lessor shall not be required or obligated to make any changes, alterations, additions, improvements, or repairs in, on, or about the Lessee's MRI Center Project or any part thereof, or any improvements thereon during the term of this Lease.

B. Lessee's Responsibility: Throughout the term of this Lease, Lessee shall, at Lessee's sole cost and expense, maintain the Lessee's MRI Project in good condition and repair and in accordance with the requirements of: (i) all Applicable Laws; (ii) any insurance companies insuring all or any part of the Lessee's MRI Project, if applicable; and (iii) applicable healthcare licensing entities; and (iv) the rules and regulations of County regarding the operation of the MRI Project.

C. Waste: Lessee shall not commit or permit the commission of any waste upon the Premises. Lessee shall not dispose of any waste or by-products of Lessee's operation on the Premises. Lessee shall not store any waste or by-products of Lessee's operation on the Premises, except for such storage that is reasonably necessary and incidental to its operation of the MRI Project.

D. Maintenance: Lessor shall be responsible for maintenance of the landscaping, custodial and grounds, including without limitation irrigation, lights, paving and striping.

E. Security: Lessor shall provide for the security of the Improvements in a similar manner to that provided for other facilities of the Medical Center.

F. Security Devices: Lessee shall provide any security devices required for the protection of equipment and other personal property of Lessee from theft, burglary and vandalism.

G. Utilities: Lessor shall be responsible for payment of all utilities.

8. NON-SUBORDINATION AND NON-ASSIGNMENT AS SECURITY: This is a non-subordinated lease. Except as may be provided in Section 5, UTILITIES, or this Section 8, Lessee agrees that it shall not create or suffer any encumbrance upon the Premises or the Improvements without the written consent of Lessor. Lessee shall not, without obtaining the written consent of Lessor, assign any of Lessee's interest under this Lease as security. Any consent required by this Section 8 shall be evidenced by letter signed by Lessor's Chief Executive Office. Lessor shall provide a response to any request for consent pursuant to this Section 8 within 30 days of such request; provided, however, that Lessor's failure to timely provide a response shall not be construed as consent. Lessee agrees, without any cost or expense to Lessor, to execute any instrument which is necessary or is requested by Lessor to further effect the non-subordination of this Lease. Lessee further agrees that in order to obtain Lessor's consent hereunder: (a) any financing obtained for construction of the Building shall be and shall always remain subordinate to this Ground Lease; (b) the amount of Lessee's endowment/investment funds collateral to any proposed financing shall exceed the amount of said financing at all times during the term hereof, and Lessee shall provide Lessor with an annual written certification of Lessee's compliance with such requirement; (c) Lessee's lender for any proposed Building financing shall be required to provide written notice to Lessor in the event that Lessee's collateral falls below the loan amount; and (d) in the event of a default under Lessee's proposed financing agreements, Lessee's lender shall be entitled to proceed against Lessee's collateral only and shall in no event be entitled to proceed against the Premises. Lessee acknowledges and understands that Lessor shall be entitled to withhold its consent hereunder to

any proposed financing that does not meet with all of the foregoing requirements.

9. LIENS:

A. General: Subject to the provisions of Section 4 regarding TAXES AND ASSESSMENTS and Section 8 regarding NON-SUBORDINATION AND NON-ASSIGNMENT AS SECURITY, Lessee hereby covenants to keep the Premises and every part thereof free and clear of any and all liens or encumbrances of any kind whatsoever created by Lessee's acts or omissions and/or created by the performance of any labor or furnishing of any material, supplies, or equipment contemplated hereunder. Lessor covenants to keep the Lessee's MRI Project and every part thereof free and clear of any and all liens or encumbrances of any kind whatsoever created by Lessor's acts or omissions or those of its agents or employees, and shall indemnify and hold Lessee harmless from any such Lessor-created liens or demands and any and all costs, damages or liability in connection therewith, together with reasonable attorney's fees and all actual costs and expenses incurred by Lessee in negotiating, settling, defending and otherwise protecting the MRI Project or any part thereof against such liens, claims or demands. Lessee further agrees to hold Lessor and the Premises and all parts thereof free and harmless from any such Lessee-created liens, claims, or demands, and any and all costs, damages or liability in connection therewith, together with reasonable attorney's fees and all Actual Cost and expenses incurred by Lessor in negotiating, settling, defending, and otherwise protecting the Premises or Lessee's MRI Project or any part thereof against such liens, claims or demands.

B. Mechanics' and other Liens: Lessee shall pay, or cause to be paid, the total cost and expense of all works of improvement as that phrase is defined in the applicable mechanics' lien law in effect when the Work begins. Lessee shall not permit any mechanic's, materialman's, contractor's, subcontractor's or other lien, arising out of the performance of the Lease, to stand against the Premises or Lessee's MRI Project, or any part thereof. If any such lien shall be filed against the Premises or Lessee's MRI Project, Lessee shall cause the same to be discharged within ten days after actual notice of such filing, by payment, deposit, or bond. If Lessee fails to discharge any such lien, Lessor may, but shall not be obligated to, discharge the same, and any amount so paid or deposited by Lessor and all Actual Costs and expenses incurred by Lessor, including reasonable attorney's fees, shall become immediately due and payable by Lessee to Lessor, together with interest thereon computed at the rate of seven percent per annum. If Lessee desires to contest any such lien, Lessee shall notify Lessor in writing of Lessee's intention to do so within ten days after the filing of and service upon Lessee of such lien, or lose the right to contest. In such case, provided that Lessee shall furnish the bond required by California Civil Code Section 3143 (or any comparable statute hereafter enacted for providing a bond freeing the Premises and Lessee's MRI Project from the effect of such lien), Lessee shall not be in default until five days after the final determination of the validity thereof, within which time Lessee shall satisfy and discharge any such lien to the extent held valid, but the satisfaction and discharge of any such lien shall not, in any case, be delayed until execution is had upon any judgment rendered thereto, and such delay shall be a material default of Lessee hereunder. In the event of any such contest, Lessee shall protect and indemnify Lessor against all loss, Actual Cost, expense and damage, including reasonable attorney's fees, resulting therefrom.

10. INSURANCE

A. Insurance: Without limiting Lessee's indemnification of Lessor, and during the Term of this Lease, Lessee shall provide and maintain the following insurance. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by County, and such coverage shall be provided and maintained at Lessee's own expense.

B. Evidence of Insurance. Certificates or other evidence of such insurance shall be delivered to County at the Chief Executive Office, Real Estate Management Division, 222 South Hill Street, Los Angeles, upon the Commencement Date and shall:

- (a) Specifically identify this Lease;
- (b) Clearly evidence all coverages required in this Lease;
- (c) Contain the express condition that insurer will use its best efforts to give written notice by mail to County at least thirty (30) days in advance of cancellation for all policies evidenced on the certificate of insurance; and
- (d) Identify any deductibles or self-insured retentions exceeding \$25,000.

Insurer Financial Ratings: Insurance is to be provided by an insurance company acceptable to the Lessor with an A.M. Best rating of not less than A-:VII, unless otherwise approved by Lessor. Lessor has approved Lessee's current insurance company with a rating of A-:XIV.

C. Notification of Incidents, Claims or Suits. Lessee shall report to Lessor:

- (1) any accident or incident relating to services performed under the Lease which involves injury or property damage which Lessee concludes in good faith may result in the filing of a claim or lawsuit against Lessor or Lessee. Lessee shall use best efforts to make such reports in writing within forty-eight (48) hours of occurrence.
- (2) any third party claim or lawsuit filed against Lessee arising from or related to services performed by Lessee under the Lease. Lessee shall use best efforts to make such reports in writing within forty-eight (48) hours of the earlier of service of process of such claim or lawsuit, or Lessee otherwise has knowledge of such claim or lawsuit.
- (3) any injury to a Lessee staff member which occurs on Lessor property. This report shall be submitted on a County "Non-employee Injury Report" to the County Project Manager. Lessee shall use best efforts to make such reports in writing within forty-eight (48) hours of occurrence.

- (4) any loss, disappearance, destruction, misuse, or theft of any kind whatsoever of County property, monies or securities entrusted to Lessee under the terms of the Agreement. Lessee shall use best efforts to make such reports in writing within forty-eight (48) hours of discovery.
- (5) Notwithstanding the foregoing, Lessee shall not be required to make a report to the extent Lessee reasonably concludes that such report would violate privacy, confidentiality or other legal restrictions.

D. Insurance Coverage Requirements. Lessee shall maintain the following:

(a) Commercial Property Insurance covering damage to the subject property, including improvements and betterments, from perils covered by the Causes-of-Loss Special form (ISO form CP 10 30), and excluding earthquake and flood, and including ordinance or law coverage, written for the full replacement cost of the property. Proceeds shall be payable to Lessee and Lessor as their interests may appear and be utilized for repair and restoration of the property.

(b) Nothing herein or in the following Section B regarding Construction Insurance is intended nor shall be construed to limit the insurance coverages Lessee is required to maintain pursuant to Paragraph 13 of Exhibit B of the Operating Agreement (Additional Terms and Conditions).

E. Waivers of Subrogation. Lessee shall obtain appropriate endorsements upon all insurance policies waiving subrogation by the insurer(s) against Lessor.

F. Construction Insurance. In addition to the above Lessee Insurance Requirements, and throughout the period of construction of Lessee's MRI Center Project, Lessee shall have its Contractor provide and maintain, or Lessee shall provide and maintain, the following programs of insurance. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by Lessor, and such coverage shall be provided and maintained at no cost to Lessor. Such coverage shall contain the express condition that Lessor is to be given written notice by mail at least 30 days in advance of cancellation for all policies evidenced on the certificate of insurance.

1. Builder's Risk Course Of Construction Insurance. Such coverage shall:

Insure against damage from perils covered by the Causes-of-Loss Special Form (ISO form CP 10 30), and be endorsed to include ordinance or law coverage, coverage for temporary off site storage, pollutant clean-up and removal, preservation of property, and full collapse coverage during construction (without restricting collapse coverage to specified perils);

Be written on a completed value basis and cover the entire work against loss or damage until completion and acceptance by the Lessee; and

Provide a per occurrence deductible of not greater than five percent (5%) of the value insured for all perils.

2. **General Liability Insurance:** written on ISO policy form CG 00 01 or its equivalent with limits of not less than those specified or evidence of such excess insurance to meet these requirements:

| | |
|--|-------------|
| General Aggregate: | \$4 million |
| Products/Completed Operations Aggregate: | \$4 million |
| Each Occurrence: | \$2 million |

The products/completed operations coverage shall continue to be maintained in the amount of \$1 million Each Occurrence and \$2 million Aggregate for at least two years from the date the Project is completed and accepted by the County.

3. **Automobile Liability Insurance:** written on ISO policy form CA 00 01 or its equivalent with a limit of liability of not less than \$1 million for each accident or evidence of such excess insurance to meet these requirements. Such insurance shall include coverage for all "owned," "hired" and "non-owned" automobiles, or coverage for "any auto" utilized for construction purposes.
4. **Professional Liability Insurance.** In the event Lessee or its sub-contractor shall provide design engineering or architectural services, professional liability insurance shall be provided by Lessee or its subcontractor covering liability arising from any error, omission, negligent or wrongful act with limits of not less than \$ 1 million per occurrence and \$2 million aggregate or evidence of such excess insurance to meet these requirements. The coverage shall also provide an extended two-year reporting period commencing upon termination or cancellation of this Agreement, or alternatively an equivalent policy shall be maintained during that time.

G. **Assumption of Risk.** The Lessee and/or its construction firm shall assume all risks and bear all cost for loss of, damage to, or missing or stolen, equipment, tools, vehicles and materials owned, hired, leased or used by either party for this project.

H. **Failure to Procure and Maintain Insurance.** Failure by Lessee to procure and maintain the required insurance, or provide evidence of insurance coverage acceptable to County, shall constitute a material breach of this Lease.

11. **REPAIR AND RESTORATION:**

A. If, during the Term of this Lease, the Improvements are damaged due to a risk covered by insurance maintained under Section 10 of this Lease or under the Operating Agreement, Lessee shall cause the damage to be repaired and the Improvements restored to substantially the same condition as they were in immediately before such damage.

B. If, during the Term of this Lease, the Improvements are damaged due to a risk not covered by insurance maintained under Section 10. of this Lease or under the Operating Agreement, and whether or not such damage is substantial, Lessee may elect either to cause the damage to be repaired and the Improvements restored to substantially the same condition as they

were immediately before the damage or to terminate this Lease. Said election shall be made by written notice to Lessor within 60 days of the occurrence of the damage.

C. If Lessee is required or elects to repair any damage to the Improvements, such damage shall be repaired and the Improvements restored to substantially the same condition as they were in immediately before the damage as promptly as is reasonably possible. To the extent the damage is due to a risk covered by insurance maintained under Section 10. of this Lease or under the Operating Agreement, such repairs shall be made from the proceeds of such insurance and the proceeds of such insurance shall be made available to Lessee for such purpose. All work shall be performed in a good and workmanlike manner and shall be completed as promptly as is reasonably possible and in accordance with all Applicable Laws. Commencement of the repair and restoration shall require (a) securing the area to prevent injury to persons and/or vandalism to the Improvements and (b) the placement of a work order or contract for obtaining the labor and materials to accomplish the repair and restoration. In no event shall Lessee be required to repair, replace or restore any damaged equipment, personal property, or trade fixtures of Lessor located in or about the Improvements, it being understood that the repair, replacement, or restoration thereof shall be the sole responsibility and expense of Lessor.

Notwithstanding any provision contained in this Lease to the contrary, if the Applicable Laws existing at the time of the damage do not permit the repair or restoration, either party may terminate this Lease immediately by giving written notice to the other party. If this Lease is terminated pursuant to any of the provisions in this Section 11D, the proceeds of any and all insurance maintained under Section 10 of this Lease or Operating Agreement shall be the sole property of Lessee and shall, if received by Lessor, be promptly paid to Lessee.

(1) Lessee waives the provisions of California Civil Code Sections 1932(2) and 1933(4) which relate to termination of leases when the thing leased is destroyed and agrees that such event shall be governed exclusively by the terms of this Lease.

12. DEFAULT:

A. Material Default: The occurrence of any of the following shall constitute a material default and breach of this Lease, which shall allow the non-breaching party, in addition to any other rights or remedies at law or in equity, to terminate this Lease:

(1) A failure by either party to observe and perform such party's Obligations hereunder when such failure continues for 30 days after written notice thereof to the other party; provided, however, that if the nature of such default is such that the same cannot reasonably be cured within such 30-day period, the breaching party shall not be deemed to be in default if such party shall within such period commence such cure and thereafter diligently prosecute the same to completion. Failure to observe and perform Lessee's Obligations shall not include those instances where the Premises are not in use because of remodeling, repairs, or the replacement of equipment, provided that such remodeling, repairs, and replacement are undertaken and completed in a prompt manner by Lessee.

(2) A default under Section 15 of this Lease.

(3) A failure by Lessee to maintain funds in excess of the amount of any Building financing as collateral for said financing (as required by Section 8 of this Lease).

B. Remedies:

(1) If either Lessor or Lessee terminates this Lease, the disposition of the Modular Units and the removal of the MRI Equipment and Lessee's personal property shall be governed solely by Paragraph 12 of the Operating Agreement, and, to the extent there is any conflict regarding the termination or its effect between this Lease and the Operating Agreement, the Operating Agreement shall control.

(2) If Lessee defaults under this Lease, Lessor, without further notice to Lessee shall, in addition to any other remedies available by law or equity, have one or more of the following remedies at Lessor's election:

(a) Without barring later election of any other remedy and without terminating Lessee's right to possession of the Lessee's MRI Project, or any part thereof, Lessor may require strict performance of all covenants and obligations herein as the same shall accrue or become due, without terminating this Lease, and Lessor shall have the right of action therefor without awaiting the end of the Lease term.

(b) If Lessor obtains possession of the Lessee's MRI Project under a judgment pursuant to Section 1174 of the California Code of Civil Procedure (unless Lessee obtains relief under Section 1179 of that Code) or if Lessor, by written notice declares the Lease to be terminated because of breach of this Lease, then Lessor shall be entitled to recover in one or more awards or judgment from Lessee:

(i) Any amount necessary to compensate Lessor for all the detriment proximately caused by Lessee's failure to perform Lessee's obligations under this Lease, or which in the ordinary course of things would be likely to result therefrom. Such other amount shall include, but not be limited to, such expenses (including reasonable attorney's fees) as Lessor may have paid, assumed, or incurred in recovering possession of Premises, placing the Premises in good order and condition, and reletting the Premises during any part of time for which a rental concession, if any, had been given by Lessor.

(ii) Lessor may at Lessor's election terminate this Lease by giving Lessee notice of termination. On the giving of the notice to Lessee, all Lessee's rights in the Premises and in the Improvements shall terminate, except as provided in the Operating Agreement. Lessor shall not be deemed to have terminated this Lease unless Lessor shall have so declared in writing to Lessee, nor shall Lessor be deemed to have accepted or consented to an abandonment by Lessee by performing acts intended to maintain or preserve the Premises, making efforts to relet the Premises or appointing a receiver to protect Lessor's interest under this Lease. After notice of termination, Lessee shall use good faith, reasonable efforts to promptly remove the MRI Equipment and Lessee's personal property and surrender and vacate the Lessee's MRI Project in a broom-clean condition, and Lessor may re-enter and take possession of the Lessee's MRI Project and/or eject all parties in possession, some and not others, or eject none. Termination under this Section shall not relieve Lessee from any

obligations under this Lease or from any claim for damages incurred or accruing against Lessee up to the date of termination.

(c) Subject to Lessee's and Lessor's rights to contest as provided elsewhere in this Lease, if, at any time during the Term of this Lease, Lessee fails, refuses, or neglects to do any of the things herein required to be done by the Lessee, Lessor shall have the right, but not the obligation, to do the same, but at the cost of and for the account of the Lessee; provided, however, that the Lessor shall in no case take such action until first giving the Lessee written notice of such failure, refusal, or neglect and allowing time periods, as specified in this Lease, within which Lessee may commence a bona fide effort to cure the same.

C. Equitable Relief: Nothing contained herein shall affect, change, or waive any rights of Lessor or Lessee to obtain equitable relief when such relief is otherwise appropriate, or to obtain the relief provided by Chapter 4 (commencing with Section 1159) of Title 3 of Part 3 of the Code of Civil Procedure, relating to actions for unlawful detainer, forcible entry, and forcible detainer.

D. Cumulative Remedies: The remedies of Lessor as provided above are cumulative and in addition to, rather than exclusive of, any other remedy of Lessor herein given or that may be permitted by Law. Any lawful re-entry as provided for herein shall not make Lessor liable in damages or guilty of trespass because of any such lawful re-entry.

13. WAIVER OF CONDITIONS OR COVENANTS: Any waiver by either party of any breach or any one or more of the covenants, conditions, terms and agreements of this Lease shall not be construed to be a waiver of any subsequent or other breach of the same or of any other covenant, condition, term, or agreement of this Lease, nor shall failure on the part of either party to require exact, full and complete compliance with any of the covenants, conditions, terms, and agreements of this Lease be construed as in any manner changing the terms hereof, nor shall the terms of this Lease be changed or altered in any manner whatsoever other than by written agreement between Lessor and Lessee. No delay, failure, or omission of either party to exercise any right, power, privilege, or option, arising from any default shall impair any such right, power, privilege, or option or be construed as a waiver of or acquiescence in such default or as a relinquishment of any right. No notice shall be required to restore or revise "time is of the essence" after the waiver by either party of any default. No option, right, power, remedy, or privilege of either party shall be construed as being exhausted by the exercise thereof in one or more instance. The rights, powers, options, and remedies given each party by this Lease shall be cumulative.

14. EMINENT DOMAIN: If the whole or any part of the Premises shall be taken by any paramount public authority under the power of eminent domain, then the Term of this Lease shall cease as to the part so taken from the day the possession of that part shall be taken for any public purpose, and from that day Lessee shall have the right to either cancel this Lease or to continue in the possession of the remainder of these Premises under the terms herein provided. All damages awarded for such taking shall belong to and be the property of Lessor provided, however, that Lessor shall not be entitled to any portion of the award made for loss of structures, buildings, or other improvements or personal property, equipment, and trade fixtures belonging to Lessee immediately prior to the taking of possession by the condemning authority.

15. ASSIGNMENT/SUBLETTING:

A. No Assignment: Lessee shall not, without the prior written consent of Lessor, either directly or indirectly give, assign, hypothecate, encumber, transfer, or grant control of this Lease or any interest, right, or privilege therein, or sublet the whole or any portion of the Premises, or license the use of the same in whole or in part. In addition, for purposes of this Section 15, County consent shall require a written amendment to this Lease, which amendment must be formally approved and executed by the parties. Said consent shall not be unreasonably withheld. For purposes of this provision, the following acts of Lessee shall be considered an assignment requiring the prior written consent of Lessor to be effective:

(1) Any disposition(s) that effectuates a change in the majority control of Lessee to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of this Lease; and

(2) Any assumption, assignment, delegation, or takeover of the majority of the Lessee's duties, responsibilities, obligations, or performance of same hereunder by any entity other than the Lessee (whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism), with or without consideration, for any reason whatsoever.

In the event one of the above occurs without County's express prior written approval, such occurrence shall constitute a material breach of this Lease which shall entitle County, at its discretion, to terminate this Lease. In the event of such termination, County shall be entitled to pursue the same remedies against Lessee as it could pursue in the event of default by Lessee pursuant to the terms hereof, including without limitation Section 12, at law and in equity.

B. No Involuntary Assignment: Neither this Lease nor any interest therein shall be assignable or transferable in proceedings in attachment, garnishment or execution against Lessee, or in voluntary or involuntary proceedings in bankruptcy or insolvency or receivership taken by or against Lessee, so that the same and the making by Lessee of any general assignment for the benefit of creditors; or the filing of a petition to have Lessee adjudicated a bankruptcy, or the filing of a petition for reorganization or arrangement under any law relating to bankruptcy unless, in the case of a petition filed against Lessee, the same is dismissed within 60 days; or the appointment of a trustee or receiver to take possession of substantially all of Lessee's assets located at the Lessee's MRI Project or of Lessee's interest in this Lease, when such seizure is not discharged within 60 days, shall be a material default under this Lease.

16. DEMOLITION AND REMOVAL OF LESSEE'S MODULAR BUILDING:

Upon Lessee's receipt of beneficial occupancy of the Improvements, Lessee shall be responsible for the demolition and removal of the existing MRI modular facility located at RANCHO/MLK (N/A to Olive View or Harbor) ("Existing Modular"). Lessee shall remove the Existing Modular within 90 days after the date of beneficial occupancy. Lessee shall conduct its demolition and removal obligations pursuant to this Section in a good and workmanlike manner, in compliance with all Applicable Laws and leave Lessor's land and other property safe and free from injury,

debris and hazards. Lessee shall apply for and diligently pursue the necessary government approvals and permits to effect the above-described demolition and removal in a timely manner, in no event later than ____ days after the full execution of this Lease. [Rancho – removal prior to construction; MLK – removal 60 days following occupancy of new structure]

17. OWNERSHIP OF IMPROVEMENTS DURING: The ownership of the Improvements upon the expiration or earlier termination of this Lease is addressed in the Operating Agreement.

18. REMOVAL OF PERSONAL PROPERTY: At the expiration or earlier termination of this Lease, Lessee, shall remove from the Property, at Lessee's sole cost and expense, all personal property. Lessee shall be liable to Lessor for costs incurred in effecting the removal of personal property of Lessee which Lessee has failed to remove pursuant to this Section. Lessee may remove any personal property from time to time during the Lease Term and within 45 days following the expiration of the Term. Lessee shall repair all damage (structural or otherwise) caused by such removal; provided that damage to improvements which are obsolete economically or functionally or which are not material need not be repaired so long as the Improvements are or are made structurally sound. Any personal property not removed by Lessee within 45 days following expiration of the Term shall be deemed abandoned by Lessee and shall, without compensation to Lessee, then become Lessor's property free and clear of all claims to or against them by Lessee or any other person, except as otherwise provided in this Lease.

19. RIGHTS TO MR SCANNER: The rights to the MR scanner and all other imaging and diagnostic devices and their appurtenant equipment upon the expiration or earlier termination of this Lease are addressed in the Operating Agreement.

20. HAZARDOUS SUBSTANCES:

A. Definition: For purpose of this Lease, the term Hazardous Substances shall be deemed to include "hazardous substances" as defined in California Health and Safety Code Section 25316, and those chemicals and substances identified pursuant to Health and Safety Code Section 25249.8.

B. Warranties and Representations: Lessee hereby warrants and represents that it will not cause the presence, use, storage, or disposal of any Hazardous Substances on or about the Premises without the prior written consent of Lessor, except that Lessee may use or store those Hazardous Substances that are incidental to its operation of a MRI Center in quantities that are reasonably necessary to conduct its business as a MRI Center.

(1) Lessee hereby warrants and represents that it shall comply with all Applicable Laws and regulations concerning the use, release, storage, and disposal by Lessee, its agents, and contractors of Hazardous Substances on the Premises. Lessor hereby warrants and represents that it has complied with all Applicable Laws and regulations concerning the use, release, storage, and disposal of Hazardous Substances on the Premises, and that said compliance was in effect prior to the beginning of the Term of this Lease.

C. Notice: Lessee agrees to immediately notify Lessor when Hazardous Substances have been released on the Premises, upon becoming aware of the same.

D. Indemnity:

(1) agrees to indemnify, defend, and hold harmless Lessor and its Special Districts, elected and appointed officers, agents and employees, from and against all liability, expense (including defense costs, legal fees, and response costs imposed by law) and claims for damages of any nature whatsoever which arise out of the presence or release of Hazardous Substances on the Premises which is caused by Lessee.

(2) Lessor agrees to indemnify, defend and hold harmless Lessee, and its employees, officers, directors and agents, from and against all liability, expense (including defense costs, legal fees, and response costs imposed by law) and claims for damages of any nature whatsoever which arise out of the presence or release of Hazardous Substances on the Premises, which occurred prior to the beginning of the Primary Term of this Lease or which occurs thereafter and is caused by Lessor.

(3) The indemnity provided by this Section 18 shall survive the termination of this Lease.

E. Default: Lessee's failure to comply with the provisions of this Section 20 may, in Lessor's sole discretion, be deemed a default of this Lease and entitle Lessor to terminate this Lease immediately.

21. ADMINISTRATION: The Chief Executive Officer or his authorized designee shall have the authority to administer this Lease on behalf of County.

22. COUNTY'S LOBBYISTS: Lessee and each County lobbyist or County lobbying firm, as defined in Los Angeles County Code Section 2.160.010, retained by Lessee, shall fully comply with County's Lobbyist Ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of Lessee or any County lobbyist or County lobbying firm retained by Lessee to fully comply with County's Lobbyist Ordinance shall constitute a material breach of this Lease upon which County may immediately terminate or suspend this Lease.

23. NOTICES: Notices desired or required to be given by this Lease or by any law now or hereinafter in effect may be given in accordance with the notice provision in the Operating Agreement.

24. TERMINATION OF OPERATING AGREEMENT: Notwithstanding anything to the contrary set forth herein, in the event of the expiration or termination of the Operating Agreement, this Lease shall automatically terminate.

25. GENERAL PROVISIONS

A. Marginal Headings: The Section titles in this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

B. Time: Time is of the essence for this Lease and each and all of its provisions in which performance is a factor.

C. Recordation: Either party may record this Lease at any time without the prior written consent of the other party.

D. Binding on Successors: Each and all of the terms and agreements herein contained shall be binding upon and shall inure to the benefit of the successors in interest of the Lessee, and wherever the context permits or requires, the successors in interest to the Lessor.

E. Prior Agreements: The Lease, agreements incorporated by reference and attachments hereto contain all of the agreements of the parties hereto with respect to the subject matter hereof, and no prior agreement or understanding pertaining to any such matter shall be effective for any purpose. No provision of this Lease may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successors-in-interest. This Lease shall not be effective or binding on any party until fully executed by both parties hereto.

F. Unavoidable Delay: Any prevention, delay, non-performance or stoppage due to any of the following causes shall excuse non-performance for a period equal to any such prevention, delay, non-performance or stoppage. The causes referred to above are: strikes, lockouts, labor disputes, failure of power, irresistible superhuman cause, acts of public enemies, riots, insurrections, civil commotion, inability to obtain labor or materials or reasonable substitutes for either, Governmental restrictions or regulations or controls, casualties not contemplated by insurance provisions of this Lease, or other cause beyond the reasonable control of the party obligated to perform.

G. Separability: Any provision of this Lease which shall prove to be invalid, void, or illegal shall in no way affect, impair, or invalidate any other provision hereof and such other provisions shall remain in full force and effect.

H. Cumulative Remedies: No remedy or election hereunder shall be deemed exclusive but shall wherever possible be cumulative with all other remedies at law or in equity.

I. Choice of Law and Forum: This Lease shall be governed by and construed in accordance with the internal laws of the State of California. Any litigation with respect to this Lease shall be conducted in the courts of the County of Los Angeles, State of California.

J. Interpretation: Unless the context of this Lease clearly requires otherwise: (i) the plural and singular numbers shall be deemed to include the other; (ii) the masculine, feminine and neuter genders shall be deemed to include the others; (iii) "or" is not exclusive; and (iv) "includes" and "including" are not limiting.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has executed this Lease or caused it to be duly executed by its Chair, and Lessee has caused this Lease to be executed in its behalf by its duly authorized officer, this day, month, and year first above written.

ATTEST:

SACHI H. HAMAI
Executive Officer, Board of Supervisors

By _____
Chair, Board of Supervisors

COUNTY OF LOS ANGELES
a body politic and corporate
By:

ZEV YAROSLAVSKY
Chairman, Board of Supervisors

By _____

INSIGHT HEALTH CORP.

By _____

Printed Name

Title _____

By _____

Printed Name

Title _____

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By _____
Deputy

EXHIBIT A
ADDITIONAL TERMS AND CONDITIONS

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EXHIBIT A

ADDITIONAL TERMS AND CONDITIONS

The following additional terms and conditions are applicable to, and form a part of, the Agreement. Capitalized terms not otherwise defined in this Exhibit A (as used in this Exhibit A (Additional Terms and Conditions), this "Exhibit") have the meanings given to such terms in the Base Agreement.

1. SUBCONTRACTING.

1.1. General. County has relied, in entering into the Agreement, on the reputation of and on obtaining the personal performance of Contractor itself. Consequently, no performance of the Agreement, or any portion thereof, shall be subcontracted by Contractor except in accordance with the procedures set forth in this Paragraph 1.1 (Subcontracting). Any attempt by Contractor to subcontract any performance, obligation, or responsibility under the Agreement, except in accordance with the procedures set forth in this Paragraph 1.1 (Subcontracting), shall be null and void and shall constitute a material breach of the Agreement, upon which County may immediately terminate the Agreement. Whenever Contractor desires to contract with a third party to procure services in connection with its operation of the MRI Centers and/or performance of the Agreement, a determination must be made as to whether this contract constitutes an ancillary contract ("Ancillary Contract") for which County requires limited information or constitutes a subcontract for a portion of the Work under the Agreement ("Subcontract"). Contracts for the following services shall be presumed to be Ancillary Contracts, and Contractor shall not be required to follow the process outlined in Paragraph 1.2 regarding such arrangements: courier and transcription services; building, equipment (including MRI, IT, office equipment, etc.) and landscape maintenance or repair; cleaning and linen services; biohazardous waste removal or recycling; office, postage, medical and drug supplies; utilities; software licenses; legal, accounting and business/clinical consulting services; temporary staffing on an occasional and intermittent basis; and similar services. Notwithstanding the foregoing, Contractor shall, upon County's written request, provide County with lists and summaries of any and all Ancillary Contracts. Contractor may seek approval for a Subcontractor as a Pre-approved Subcontractor as provided herein.

1.2. Procedure for Subcontracting. If Contractor desires to contract with a third party for services in connection with its operation of the MRI Centers and/or performance of the Agreement including to a Pre-approved Subcontractor, Contractor shall adhere to the following procedures.

1.2.1. Contractor shall notify County Project Director of its desire to contract with a third party for services in connection with its operation of the MRI Centers and/or performance of the Agreement, which notice shall include the reason for the proposed contract, a description of the services to be

provided under the proposed contract, and the identity and basic qualifications of the proposed contractor.

1.2.2. Contractor shall also state whether it believes the proposed contract is a Subcontract or an Ancillary Contract, in either case acknowledging Contractor responsibilities under Paragraph 1.3, including responsibilities for indemnification and compensation of contractors. If Contractor believes that the proposed contract is an Ancillary Contract, County shall, within ten (10) days, confirm whether it concurs. If the County concurs with Contractor's determination that a contract is an Ancillary Contract, no further information or action will be required on the part of the Contractor or Ancillary Contractor unless specifically requested by the County in writing.

1.2.3. Contractor shall provide a certificate of insurance from any proposed Subcontractor which establishes that the Subcontractor maintains all the programs of insurance required by the Agreement, or required by Schedule 1.2.3 (Sample Subcontract), if the proposed Subcontractor is not a Pre-approved Subcontractor.

1.2.4. If the proposed Work is to be performed by a Subcontractor other than Pre-approved Subcontractor, then in addition to the foregoing, Contractor shall provide:

- (i) a draft copy of the proposed subcontract which shall contain, at a minimum, the provisions set forth in Schedule 1.2.3 (Sample Subcontract). The provisions of Schedule 1.2.3 (Sample Subcontract), or of any approved subcontract agreement between Contractor and a third party may be changed or amended, as applicable, only with the prior written approval of County Global Project Director, which approval shall not be unreasonably withheld; and
- (ii) any other information and/or certifications reasonably requested by County.

County will review Contractor's request to subcontract and determine, in its reasonable discretion, whether or not to consent to such request on an individual basis. Without limiting in any way County's prior approval rights, Contractor shall deliver to County Global Project Director a fully executed copy of each subcontract entered into by Contractor with a Subcontractor pursuant to this Paragraph 1.2.4, on or immediately after the effective date of the subcontract but in no event later than the date any Work is performed under the subcontract. Moreover, Contractor shall provide copies of any Subcontractor contract upon request to County.

- 1.2.5. Contractor shall obtain an executed Subcontractor's Employee Acknowledgment and Confidentiality Agreement (see Schedule 1.2.5 Subcontractor's Employee Acknowledgment and Confidentiality Agreement) for each of a Subcontractor's employees performing Work under the subcontract, including for each Pre-approved Subcontractor's employees performing Work under pre-approved subcontracts. Such agreements shall be delivered to County Global Project Director on or immediately after the effective date of the particular subcontract but in no event later than the date any such employee commences performing Work under the subcontract.
- 1.2.6. Contractor has identified and entered into subcontracts with certain subcontractors ("Pre-approved Subcontractors") listed on Schedule 1.2.6, which Pre-approved Subcontractors are hereby approved by County.
- 1.3. Contractor Responsibilities.
 - 1.3.1. Notwithstanding any County consent to any subcontracting, Contractor shall remain responsible for any and all performance required of it under the Agreement, whether performed by Contractor or by any Subcontractor, including the obligation properly to supervise, coordinate, and perform, all Work required hereunder, and no subcontract or ancillary contract shall bind or purport to bind County. Further, County approval of any subcontract shall not be construed to limit in any way Contractor's performance, obligations, including Contractor's indemnification obligations, or responsibilities, to County.
 - 1.3.2. In the event that County consents to any subcontracting, such consent shall be subject to County's right to reject any and all Subcontractor personnel providing services under such subcontract.
 - 1.3.3. In the event that County consents to any subcontracting, Contractor shall cause the subcontractor, on behalf of itself, its successors and administrators, to assume and be bound by and shall be deemed to have assumed and agreed to be bound by each and all of the provisions of the Agreement and any amendment hereto as it directly relates to or affects the Work performed by subcontractor hereunder.
 - 1.3.4. Contractor shall be solely liable and responsible for any and all payments and other compensation to all Subcontractors and Ancillary Contractors, and their officers, employees, and agents. County shall have no liability or responsibility whatsoever for any payment or other compensation for any Subcontractors or Ancillary Contractors, or their officers, employees, and agents.

2. **DISPUTE RESOLUTION PROCEDURE.**

- 2.1. General. Contractor and County agree to act immediately to resolve mutually any disputes that may arise with respect to the Agreement. All such disputes shall be subject to the provisions of this Paragraph 2 (Dispute Resolution Procedure) (such provisions are collectively referred to as the “Dispute Resolution Procedures”). Time is of the essence in the resolution of disputes.
- 2.2. Continued Work. Contractor and County agree that, the existence and details of a dispute notwithstanding, both parties shall continue without delay their performance hereunder.
- 2.2.1. If Contractor fails to continue without delay performance that County, in its discretion, determines should not be delayed as a result of such dispute, then any additional costs which may be incurred by Contractor or County as a result of Contractor’s failure to continue to so perform shall be borne by Contractor, and Contractor shall make no claim whatsoever against County for such costs. Contractor shall promptly reimburse County for such County costs, as reasonably determined by County, or County may deduct or offset all such additional costs from any amounts due to Contractor from County.
- 2.2.2. If County fails to continue without delay to perform its responsibilities under the Agreement which Contractor, in its discretion, determines should not be delayed as a result of such dispute, then any additional costs incurred by Contractor or County as a result of County’s failure to continue to so perform shall be borne by County, and County shall make no claim whatsoever against Contractor for such costs. County shall promptly reimburse Contractor for all such additional Contractor costs, subject to the approval of such costs by County, which shall not be unreasonably withheld.
- 2.3. Dispute Resolution Procedures. In the event of any dispute between the parties with respect to the Agreement, Contractor and County shall submit the matter as follows:
- 2.3.1. Contractor and County shall first submit the matter to their respective Project Managers for the purpose of endeavoring to resolve such dispute.
- 2.3.2. If the Project Managers are unable to resolve the dispute within a reasonable time, not to exceed five (5) business days from the date of submission of the dispute, then the matter immediately shall be submitted to the parties’ respective Project Directors for further consideration and discussion to attempt to resolve the dispute.
- 2.3.3. [Intentionally deleted]

- 2.3.4. If the parties' Project Directors are unable to resolve the dispute within five (5) business days from the date of submission of the dispute, then the matter shall be immediately submitted to a member of Contractor's senior management as designated by Contractor's Chief Executive Officer and a member of DHS's senior management as designated by the Department of Health Services' Chief Executive Officer. These persons shall have five (5) business days to attempt to resolve the dispute.
- 2.3.5. In the event that at these levels, there is not a resolution of the dispute acceptable to both parties, then each party may assert its other rights and remedies provided under the Agreement and its rights and remedies as provided by law.
- 2.4. Documentation of Dispute Resolution Procedures. All disputes utilizing the Dispute Resolution Procedure shall be documented in writing by each party and shall state the specifics of each alleged dispute and all actions taken. The parties shall act in good faith to resolve all disputes. At all levels described in Paragraph 2.3 (Dispute Resolution Procedure), the efforts to resolve a dispute shall be undertaken by conference between the parties' respective representatives, either orally, by face-to-face meeting or by telephone, or in writing by exchange of correspondence.
- 2.5. Not Applicable to Parties' Rights to Terminate. Notwithstanding any other provision of the Agreement, the parties' rights to terminate the Agreement, including County's right to terminate the Agreement pursuant to Paragraph 4 (Termination for Insolvency), Paragraph 5 (Termination for Default), Paragraph 6 (Termination for Convenience), or Paragraph 7 (Termination for Improper Consideration), in each case of this Exhibit A, or any other termination provision hereunder, shall not be subject to the Dispute Resolution Procedure. The preceding sentence is intended only as a clarification of the parties' rights, and shall not be deemed to impair any claims that either party may have against the other party or either party's rights to assert such claims after any such termination or such injunctive relief has been obtained.
3. **CONFIDENTIALITY.** Contractor shall maintain the confidentiality of all records, data and information generated or acquired under the Agreement, including, but not limited to, billings, County records and data, and other information, in accordance with all applicable Federal, State and local laws, regulations, ordinances, guidelines and directives relating to confidentiality. Contractor shall inform all of its officers, employees and agents providing services hereunder of the confidentiality provisions of this Agreement, and Contractor shall provide to County an executed Contractor's Employee Acknowledgment and Confidentiality Agreement (Schedule 3) for each of its employees performing work under this Agreement in accordance with the Independent Contractor Status Paragraph. County shall maintain the confidentiality of all records, data and information generated or acquired under the Agreement in accordance with all applicable Federal, State and local laws, regulations, ordinances, guidelines and directives relating to confidentiality.

Contractor shall indemnify, defend and hold harmless County, its officers, employees and agents, from and against any and all loss, damage, liability and expense, including, but not limited to, defense costs and legal, accounting and other expert, consulting or professional fees, arising from any disclosure of such records and information by Contractor, its officers, employees or agents, except for any disclosure authorized by this Paragraph. County shall indemnify, defend and hold harmless Contractor, its officers, employees and agents, from and against any and all loss, damage, liability and expense, including, but not limited to, defense costs and legal, accounting and other expert, consulting or professional fees, arising from any disclosure of such records and information by County, its officers, employees or agents, except for any disclosure authorized by this Paragraph.

With respect to any identifiable records or information concerning any County-Responsible Patient that is obtained by Contractor under the Agreement, Contractor shall: (1) not use any such records or information for any purpose whatsoever other than carrying out the express terms of this Agreement; (2) promptly transmit to County all requests for disclosure of any such records or information; (3) not disclose, except as otherwise specifically permitted by this Agreement or required by law, any such records or information to any person or organization other than County without County's prior written authorization that the records are, or information is, releasable; and (4) at the expiration or termination of this Agreement, return such records and information to County or maintain such records and information according to the reasonable written procedures sent to Contractor by County for this purpose. With respect to any identifiable records or information concerning any patient that is obtained by County under the Agreement, County shall: (1) not use any such records or information for any purpose whatsoever other than carrying out the express terms of this Agreement; and (2) not disclose, except as otherwise specifically permitted by this Agreement, any such records or information to any person or organization other than Contractor without Contractor's prior written authorization that the records are, or information is, releasable.

County, as a government entity, has certain obligations to make information available to the public, and, notwithstanding anything to the contrary herein, County is authorized to comply with all applicable legal requirements in that regard.

4. TERMINATION FOR INSOLVENCY.

4.1. County may terminate the Agreement immediately at any time following the occurrence of any of the following:

4.1.1. Contractor has ceased to pay or has admitted in writing its inability to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the United States Bankruptcy Code and whether or not Contractor is insolvent within the meaning of the United States Bankruptcy Code, provided that Contractor shall not be deemed insolvent if it has ceased in the normal course of business to pay debts that Contractor disputes in good faith.

- 4.1.2. The filing of a voluntary or involuntary petition (which involuntary petition is not dismissed within sixty (60) days) regarding Contractor under the United States Bankruptcy Code;
- 4.1.3. The appointment of a receiver or trustee for Contractor; or
- 4.1.4. The execution by Contractor of a general assignment for the benefit of creditors other than in the course of arranging financial lines of credit.
- 4.2. The rights and remedies of County provided in this Paragraph 4 (Termination for Insolvency) shall not be exclusive and are in addition to any other rights and remedies provided at law or in equity, or under the Agreement.
- 4.3. Contractor agrees that if Contractor as a debtor-in-possession, or if a trustee in bankruptcy, rejects the Agreement, County may elect to regain its rights under the Agreement, as provided under section 365(n) of the United States Bankruptcy Code (11 U.S.C. Section 365(n)). Upon written request by County to Contractor or the trustee in bankruptcy, as applicable, Contractor or such trustee shall allow County to exercise all of its rights and benefits under the Agreement, including the right to continued use of the MRI Equipment and other medical imaging equipment or devices, and the related Documentation, and shall not interfere with the rights and benefits of County as provided therein. The foregoing shall survive the termination or expiration of the Agreement for any reason whatsoever.

5. **TERMINATION FOR DEFAULT.**

- 5.1. Event of Default. Each party may, upon notice to the other party, terminate the Agreement in any one of the following circumstances:
 - 5.1.1. The notifying party may terminate the Agreement if the notified party materially breaches or otherwise materially fails to perform or comply with any material provision of the Agreement, including the applicable notice and cure periods, if any. (If no cure period is specified in the Agreement, the notified party shall have twenty (20) days following notice from the notifying party specifying such breach to cure prior to termination under this Paragraph 5 (Termination for Default), or such longer period as the notifying party may authorize, in writing, or, if such breach is not susceptible to cure within twenty (20) days, the notified party must immediately and diligently commence curing actions which should be completed within sixty (60) days, unless the notifying party authorizes a longer time in writing. However, nothing in this Paragraph 5.1.1 shall in any way limit or modify any rights or obligations of either party relating to timely performance by the other party as otherwise set forth in the Agreement.)
 - 5.1.2. In the event County terminates this Agreement in accordance with Section 5.1.1, County shall, on or before the effective date of termination, remit to Contractor the Unamortized Investment associated with the Modular Units

as of such date, and, upon receipt of such payment, Contractor shall
quitclaim the Modular Units to County without warranty of any kind.

5.2. [Intentionally Deleted]

5.3. Completion of Work. Without limiting any of County's rights and remedies pursuant to the Agreement, upon the occurrence of any event giving rise to County's rights to terminate the Agreement pursuant to this Paragraph 5 (Termination for Default), County may, in lieu of such termination, after Contractor has had a reasonable period of time, as set forth in Paragraph 5.1.1, to remedy such event (a) perform, or cause the performance of, any required correction, remedy any Deficiency, replace any noncomplying Work, or take any other such action as may be reasonably required to promptly remedy such default, and (b) debit Contractor therefor at County's direct actual cost of outside labor and materials and County's burdened (including salary, employee benefits and reimbursement policies) rates for labor. Such debit shall be made against any amounts owed by County to Contractor under the Agreement. In the event County elects to proceed under this Paragraph 5.3 (Completion of Work), any Work created, modified, or repaired by or at the direction of County (including software) shall be deemed Work under the Agreement, and Contractor's obligations in respect of Maintenance Services shall extend to such Work as if such Work had been prepared and delivered to County by Contractor. County shall provide Contractor such documentation in County's possession or control as reasonably requested by Contractor as is necessary for Contractor to provide Maintenance Services in respect of such Work.

6. **TERMINATION FOR CONVENIENCE**

6.1. Termination for Convenience. The Agreement may be terminated, from time to time, by County in its sole discretion for whatever reason. Termination of Work hereunder shall be effected by delivery to Contractor of a notice of termination specifying the extent to which performance of Work is terminated and the date upon which such termination become effective. The date upon which such termination becomes effective shall be no less than one-hundred-eighty (180) days after notice.

6.2. [Intentionally Deleted].

6.3. No Prejudice. Nothing in this Paragraph 6 (Termination for Convenience) is deemed to prejudice any right of Contractor to make a claim against County in accordance with this Agreement and applicable law and County procedures for payment for Work performed through the effective date of termination.

7. **TERMINATION FOR IMPROPER CONSIDERATION.**

7.1. County may, upon notice to Contractor, immediately terminate the right of Contractor to proceed under the Agreement if it is found that consideration, in any form, was offered or given by Contractor, either directly or through an

intermediary, to any County officer, employee or agent with the intent of securing the Agreement or securing favorable treatment with respect to the award, amendment or extension of the Agreement or the making of any determinations with respect to Contractor's performance pursuant to the Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

7.2. Contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to County manager charged with the supervision of the employee or to County Auditor-Controller's employee fraud hotline at (213) 974-0914 or (800) 544-6861.

7.3. Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

8. **TERMINATION FOR GRATUITIES.** County may, by notice to Contractor, terminate the right of Contractor to proceed under the Agreement upon one (1) calendar day's notice, if it is found that gratuities in the form of entertainment, gifts, or otherwise were offered or given by Contractor, or any agent or representative of Contractor, to any officer, employee, or agent of County with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending, or the making of any determinations with respect to the performing, of such contract. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

9. **EFFECT OF EXPIRATION AND TERMINATION.**

9.1. Remedies. In the event that County terminates the Agreement as provided in Paragraph 4 (Termination for Insolvency), Paragraph 5 (Termination for Default), Paragraph 6 (Termination for Convenience) or Paragraph 7 (Termination for Improper Consideration), in each case of this Exhibit, then:

9.1.1. Contractor shall (a) stop performing Work under the Agreement on the date and to the extent specified in such notice, and (b) promptly transfer to County all completed Work and Work that is in process, in a media reasonably requested by County;

9.1.2. the License and associated rights thereunder granted to County pursuant to Paragraph 16 (License) of the Base Agreement shall continue in accordance with Paragraph 16.

9.1.3. Unless (1) Contractor terminates this Agreement based on a material breach by County or pursuant to those termination provisions based on specified County actions, including Paragraph 12 of the Base Agreement and Paragraphs 11 and 16 of this Exhibit A, or (2) County terminates this Agreement on a basis other than a material breach by Contractor under Paragraph 5.1 of this Exhibit A, County shall have the right to procure, upon such terms and in such a manner as County may determine

appropriate, goods, services, and other Work, similar to those so terminated, and Contractor shall be liable to County for, and shall promptly pay to County by cash payment, any and all excess costs incurred by County to procure and furnish such similar Tasks, Subtasks, Deliverables, goods, services, and other Work;

9.1.4. Contractor shall promptly return to County any and all of County's confidential information that relates to that portion of the Agreement or Work terminated by County; and

9.1.5. Contractor and County shall continue the performance of the Agreement to the extent not otherwise terminated.

9.2. Transition Services. Contractor agrees that in the event of any termination of the Agreement, as a result of the breach hereof by either party, or for any other reason, Contractor shall fully cooperate with County toward the end that there be no interruption of the Department's day to day operations due to the unavailability of the MRI Equipment and other medical imaging equipment or devices during such transition, provided that nothing herein is intended either to permit or require Contractor to continue providing MRI services following any such termination. Contractor agrees that if this Agreement is terminated for any reason other than a material breach by Contractor pursuant to Paragraph 5.1, Contractor shall perform transition services, and shall invoice County for such transition services determined in accordance with Contractor's standard hourly rates, as reasonably determined by Contractor, for all required services, in accordance with a transition plan to be agreed upon, in advance, by County Global Project Director and Contractor Project Director. Contractor further agrees that in the event County terminates the Agreement for a material breach by Contractor pursuant to Paragraph 5.1, Contractor shall perform necessary transition services at its own expense for a period of up to sixty (60) days following the effective date of termination. In connection with the provision of any transition services pursuant to this Paragraph 9.2 (Transition Services), Contractor shall provide to County Global Project Director, on request by County Global Project Director, documentation that reasonably details the source and amount of the expenses Contractor purports to have incurred in the provision of such transition services. Contractor's obligations under this Paragraph 9.2 are contingent upon County being current on all of its payment obligations under this Agreement.

9.3. Damages Upon Early Termination of the Agreement.

9.3.1. County and Contractor understand and agree that Contractor would not have entered into this Agreement for any period less than the specified term of eight years and two one- year automatic extensions, which ten-year aggregate term is necessary for Contractor to recoup its considerable investment and generate a reasonable financial return, and, accordingly, notwithstanding anything herein to the contrary, in the event of any termination of this Agreement based in whole or part on Paragraph 12

(County's Obligations for Future Fiscal Years), Exhibit A, Paragraph 5.1 (if based on a breach by County), Exhibit A, Paragraph 6.1 (Termination for Convenience), Exhibit A, Paragraph 16 (Budget Reductions), Exhibit A, Paragraph 11 (The Closing of County Facilities and Similar Actions), and any other termination not based on Contractor's material breach of this Agreement pursuant to Paragraph 5.1 of this Exhibit A, Contractor shall be entitled to obtain immediately from County, as damages and not as a penalty, the Unamortized Investment, as defined herein, without reduction or offset, as damages for the premature termination of this Agreement.

- 9.3.2. County and Contractor agree that Contractor will make an initial capital investment under this Agreement for the benefit of the County in the amount of \$5,177,366, which amount shall be amortized over the ten-year term of this Agreement on a straight-line basis for purposes of this Paragraph 9.3. The unamortized amount at any time shall be the Unamortized Investment, as tiered in one-year segments in accordance with Schedule 9.3.2.
- 9.3.3. Upon Contractor's receipt of the required payment under Paragraph 9.3.1, Contractor shall quitclaim all of the Modular Units to County on an "as is" basis without warranty of any kind.
- 9.3.4. In the event this Agreement is terminated by Contractor pursuant to Paragraph 5.1 based on a material breach by the County, Contractor shall be entitled to obtain from County such additional damages that are not otherwise compensated under this Paragraph 9.3.

9.4. Transfer of Modular Units

- 9.4.1. Quitclaim. In connection with any authorized termination of this Agreement, Contractor shall, in accordance with Paragraph 5.1.2 or 9.3.3, as applicable, quitclaim the Modular Units to County. Further, upon the expiration of this Agreement, Contractor shall quitclaim the Modular Units to County without any additional consideration from County beyond what may be required pursuant to Paragraph 9.4.2.
- 9.4.2. Closing Obligations. In connection with the transfer of the Modular Units under this Paragraph 9.4, Contractor shall execute, acknowledge and deliver to County an instrument of transfer as is applicable to convey the covered Modular Units to County. The parties shall otherwise take such actions, make such deliveries, and pay such transaction costs as are reasonable and customary for the purchase and sale of Modular Units in the County of Los Angeles, State of California.
- 9.4.3. "As-Is" Condition. Contractor shall deliver any Modular Unit hereunder to County in its "as is" condition without warranty of any kind.

9.5. MRI Scanners and Other Equipment and Furnishings

- 9.5.1. Contractor has full ownership and control over all MRI Scanners at the MRI Centers as specified in Exhibit F or otherwise, as the MRI Scanners may be upgraded or supplemented during the term of this Agreement. Upon the expiration or any early termination of this Agreement, Contractor shall use good faith, reasonable efforts to remove such MRI Scanners hereunder as soon as practical following the expiration or termination of this Agreement, and County shall fully cooperate with Contractor regarding any such removal.
- 9.5.2. Except as provided in Paragraph 9.5.3, Contractor shall remove the MRI Scanners under Paragraph 9.5.1 at Contractor's sole cost and expense, and Contractor shall, at Contractor's sole expense, repair all damage (structural or otherwise) caused by such removal; provided that damage to improvements which are obsolete economically or functionally or which are not material need not be repaired so long as the premises are or are made structurally sound.
- 9.5.3. Paragraph 9.5.2 shall not apply in the event (1) Contractor terminates this Agreement based on a material breach by County or pursuant to those termination provisions based on a County action, including Paragraph 12 of the Base Agreement or Paragraph 11 or 16 of this Exhibit A, or (2) County terminates this Agreement on a basis other than the material breach by Contractor under Paragraph 5.1 of this Exhibit A. In any such case, Contractor shall retain all rights to damages under this Agreement, and, in addition, County shall reimburse Contractor for the costs incurred by Contractor, as reasonably determined by Contractor, in removing the MRI Scanners and other property from the MRI Centers, and Contractor shall have no responsibility for any damage (structural or otherwise) caused by such removal, provided that Contractor uses good faith, reasonable care in removing the MRI Scanners and other property from the MRI Centers.
- 9.5.4. Contractor has full ownership and control over all (1) equipment functionally related to the MRI Scanners, (2) computers and related software located at the MRI Centers, and (3) equipment listed in Exhibit F under the categories of "Ancillary Equipment" or "Hardware/Equipment"; and upon the expiration or any early termination of this Agreement, Contractor shall as soon as practical remove all of such from the MRI Centers, and County shall fully cooperate with Contractor regarding any such removal. Any other furnishings and equipment located at the MRI Centers shall become the property of County, and Contractor shall execute such reasonable documents as may be requested by County in order to transfer and/or acknowledge such County rights to the property.

- 9.6. Remedies Not Exclusive. The rights and remedies of the parties set forth in this Paragraph 9 (Effect of Termination) are not exclusive of any other rights and remedies available to either party at law or in equity, or under the Agreement.

10. **WARRANTY AGAINST CONTINGENT FEES.**

10.1. Contractor warrants that no person or selling agency has been employed or retained to solicit or secure the Agreement upon any agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by Contractor for the purpose of securing business.

10.2. For breach of this warranty, County shall have the right to terminate the Agreement and, in its discretion, deduct from the Agreement price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

11. **THE CLOSING OF COUNTY FACILITIES AND SIMILAR ACTIONS;
RENEGOTIATION OF RATES AND TERMINATION.**

11.1. County shall provide Contractor with at least 120 days' prior written notice regarding the closure of any of the County Facilities during the term hereof, or any other County action regarding any County Facility that will likely result in the elimination or significant reduction in the number of MRI procedures being performed at a particular County Facility ("Impacted County Facility"); however, such 120-day notice period may be reduced if, due to operational or other County emergencies, the County is unable to provide such 120-day notice and provides Contractor with notice as promptly as possible, and describes in writing the basis for the shortened notice period.

11.2. In the event County closes, or transfers ownership or control over, any Facility resulting in Contractor no longer providing MRI procedures under this Agreement for that Facility, County shall immediately remit to Contractor the portion of that Facility's Modular Unit Unamortized Investment under Schedule 9.3.2. Upon receipt of such payment, Contractor shall quitclaim to County the Modular Unit located at the Facility on an "as is" basis without warranty of any kind. Further, County shall fully cooperate with Contractor to facilitate Contractor's removal of the MRI Scanner and other Contractor property from the Facility, and the County shall reimburse Contractor for the costs incurred by Contractor, as reasonably determined by Contractor, in removing the MRI Scanner and other property.

11.3. At any time following receipt of notice under Paragraph 11.1 (or any action requiring such notice, whether or not it is delivered), if Contractor reasonably concludes that the overall reduction in MRI procedures of an Impacted County Facility will adversely impact Contractor's financial return under the Agreement, taking into account any payments received from County under Paragraph 11.2, Contractor may request an increase in its MRI fee-for-service payments on a

going-forward basis that reasonably compensates Contractor for the expected reduction in MRI procedures from the Impacted County Facility. Contractor shall provide County with written notice of a proposed increase in its MRI fee-for-service rate, along with documentation showing the calculation of the increased MRI fee-for-service rate, which increase, if approved by the County Board of Supervisors, shall go into effect 30 days following such notice or upon Board of Supervisors approval, whichever occurs first. If the County Board of Supervisors fails to approve the revised MRI fee-for-service rate within such time period, Contractor may terminate this Agreement upon 60 days' notice to County.

12. THE CLOSING OF AN MRI CENTER BASED ON THE TERMINATION OF THE UNDERLYING LEASE.

- 12.1 In the event of the termination of a Lease, the MRI Center operating in connection with such Lease shall cease operations upon the effective date of termination, and the parties shall, except as provided in Paragraph 12.2, follow the procedures outlined in Paragraphs 11.2 and 11.3 with respect to such cessation of operations.
- 12.2 Notwithstanding Paragraph 12.1, in the event a Lease is terminated because of the material default of Contractor, County shall not be required to reimburse Contractor for the costs incurred by Contractor in removing the MRI Scanner and other property.
- 12.3 In the event of a termination of a Lease because of the material default of Contractor, Contractor shall remove the MRI Scanner from the covered Modular Unit in accordance with Paragraphs 9.5.1 and 9.5.2. In the event of a termination of a Lease for any other reason, Contractor shall remove the MRI Equipment in accordance with Paragraph 9.5.3.

13. INDEMNIFICATION, INSURANCE.

- 13.1. Indemnification. Contractor shall indemnify, defend, and hold harmless County, its districts administered by County, and their elected and appointed officers, employees, agents and public/private partners (the "County Indemnitees") from and against any and all liability (alleged or actual), including damages, losses, fees, costs, and expenses (including defense costs and legal, accounting and other expert witness, consulting or professional fees) in any way arising from, connected with, or related to Contractors', Subcontractors' or Ancillary Contractors', or Contractors', Subcontractors' or Ancillary Contractors' agents', employees', officers', directors' or shareholders', acts, errors or omissions, or their use of any of the premises that are the subject of a ground or building lease between County and Contractor. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 13 (Indemnification, Insurance) shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County in writing, which approval shall not be unreasonably withheld or delayed. Contractor shall not, however, without County's prior written approval, accept any settlement, or enter a plea of guilty or

nolo contendere, to any charge or claim that results in other than a monetary judgment against County Indemnitees, which monetary judgment shall not exceed Contractor's ability to pay and which shall be paid by Contractor.

County shall indemnify, defend, and hold harmless Contractor, and its officers, employees, and agents (the "Contractor Indemnitees") from and against any and all liability (alleged or actual), including damages, losses, fees, costs, and expenses (including defense costs and legal, accounting and other expert witness, consulting or professional fees) in any way arising from, connected with, or related to County's agents', employees', officers', or directors' acts, errors or omissions, or their use of any of the premises that are the subject of a ground or building lease between County and Contractor. Any legal defense pursuant to County's indemnification obligations under this Paragraph 13 shall be conducted by County and performed by counsel selected by County. County shall not, however, without Contractor's prior written approval, accept any settlement, or enter a plea of guilty or *nolo contendere*, to any charge or claim that results in other than a monetary judgment against Contractor Indemnitees, which monetary judgment shall not exceed County's ability to pay and which shall be paid by County.

- 13.2. Insurance. Without limiting Contractor's obligations of indemnification and defense of County indemnitees, Contractor shall provide and maintain at its own expense during the Term, and shall, except as otherwise approved by County, require all of its Subcontractors to maintain, the following programs of insurance covering its operations under the Agreement, as specified in this Paragraph 13 (Indemnification, Insurance). Such insurance shall be provided by insurers satisfactory to County, and shall be primary to and not contributing with any other insurance or self-insurance programs maintained by County. Certificates or other evidence of coverage satisfactory to County shall be delivered to County on or before the execution of the Agreement by the Board. Such certificates or other evidence shall:

13.2.1. specifically identify the Agreement;

13.2.2. clearly evidence all coverages required in the Agreement;

13.2.3. contain express conditions that County is to be given notice by

13.2.4. first class mail at least thirty (30) days prior to any termination of any program of insurance; and, with respect to any modification reducing limits or eliminating County as an additional insured under any program of insurance hereunder, at least thirty (30) days in advance or immediately following Contractor's first receipt of notice of modification in the event Contractor receives less than thirty (30) days advance notice of such modification;

- 13.2.5. include copies of the additional insured endorsement to the commercial general liability policy; naming County as an insured for all activities arising from the Agreement; and
- 13.2.6. Identify any deductibles or self-insured retentions. Contractor has identified deductibles and self-insured retentions as of the commencement date and County has approved such deductibles and retentions.
- 13.3. Insurer Financial Ratings. Insurance is to be provided by an insurance company acceptable to County with an A.M. Best rating of not less than A-:VII, unless otherwise approved by County. County has approved Contractor's current insurance company with a rating of A-:XIV.
- 13.4. Insurance Coverage Requirements for Subcontractors. Without limiting Contractor's indemnification obligations under the Agreement in respect of Subcontractors, Contractor shall ensure any and all Subcontractors performing services under the Agreement meet the insurance requirements of the Agreement either by:
- 13.4.1. Contractor providing evidence of insurance covering the activities of Subcontractors, or
- 13.4.2. Contractor providing evidence submitted by Subcontractors evidencing that Subcontractors maintain the required insurance coverage. County retains the right to obtain copies of evidence of Subcontractor insurance coverage at any time.
- 13.5. Liability Insurance. At a minimum, Contractor shall maintain during the Term programs of insurance which consists of:
- 13.5.1. General liability insurance (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following or evidence of such excess insurance to meet those requirements:
- | | |
|--|-------------|
| General Aggregate: | \$4 million |
| Products/Completed Operations Aggregate: | \$2 million |
| Personal and Advertising Injury: | \$2 million |
| Each Occurrence: | \$2 million |
- 13.5.2. Professional liability insurance covering any liability arising from any error, omission, commission, negligent, or wrongful act of Contractor, its officers, agents, employees, or Subcontractors, in the performance of Work hereunder, with limits of not less than two million dollars (\$2,000,000) per occurrence and six million dollars (\$6,000,000)

aggregate, or evidence of such excess insurance to meet those requirements.

13.5.3. Auto liability insurance (written on an ISO policy form CA 00 01 or its equivalent) with a limit of liability of not less than \$1 million for each accident. Such insurance shall include coverage for all owned, non-owned, and hired vehicles, or coverage for "any auto" for those vehicles used by Contractor in the performance of the Agreement.

13.6. Workers' Compensation and Employers' Liability insurance providing workers compensation benefits, as required by the Labor Code of the State of California or by any other state, and for which Contractor is responsible. This coverage shall include Employers' Liability coverage with limits of not less than the following:

| | |
|--------------------------|-------------|
| Each Accident: | \$1 million |
| Disease – policy limit: | \$1 million |
| Disease – each employee: | \$1 million |

13.7. Notification of Incidents, Claims or Suits. Contractor shall report to County:

13.7.1. any accident or incident relating to services performed under the Agreement which involves injury or property damage which Contractor concludes in good faith may result in the filing of a claim or lawsuit against Contractor or County. Contractor shall use best efforts to make such reports in writing within forty-eight (48) hours of occurrence.

13.7.2. any third party claim or lawsuit filed against Contractor arising from or related to services performed by Contractor under the Agreement. Contractor shall use best efforts to make such reports in writing within forty-eight (48) hours of the earlier of service of process of such claim or lawsuit, or Contractor otherwise has knowledge of such claim or lawsuit.

13.7.3. any injury to a Contractor staff member which occurs on County property. This report shall be submitted on a County "Non-employee Injury Report" to the County Project Manager. Contractor shall use best efforts to make such reports in writing within forty-eight (48) hours of occurrence.

13.7.4. any loss, disappearance, destruction, misuse, or theft of any kind whatsoever of County property, monies or securities entrusted to Contractor under the terms of the Agreement. Contractor shall use best efforts to make such reports in writing within forty-eight (48) hours of discovery.

13.7.5. Notwithstanding the foregoing, Contractor shall not be required to make a report to the extent Contractor reasonably concludes that such report would violate privacy, confidentiality or other legal restrictions.

- 13.8. Nothing herein is intended nor shall be construed to limit the insurance coverages Contractor is required to maintain pursuant to the Leases.
- 13.9. Failure to Procure and Maintain Insurance. Failure on the part of Contractor to procure and maintain all the required insurance shall constitute a material breach of the Agreement upon which County may terminate the Agreement pursuant to Paragraph 5 (Termination for Default) of this Exhibit A and seek all remedies pursuant to Paragraph 9 (Effect of Termination) of this Exhibit, or alternatively, may purchase such required insurance coverage and debit Contractor pursuant to Paragraph 5.3 (Completion of Work) of this Exhibit.
- 13.10. [Intentionally Deleted]
14. **PATENT, COPYRIGHT AND TRADE SECRET INDEMNIFICATION.** Contractor shall indemnify, defend, and hold harmless County Indemnitees pursuant to Paragraph 13.1 (Indemnification) of this Exhibit, from and against any and all liability (alleged or actual), including damages, losses, costs, fees and other expenses (including defense costs and legal accounting and other expert consulting or professional fees), for or by reason of any actual or alleged infringement of any patent, copyright, trademark, or other proprietary rights or any third party, or any actual or alleged trade secret disclosure or misappropriation, arising from or related to the MRI and other medical imaging equipment or devices or the operation and utilization of the Work under the Agreement (collectively referred to as "Infringement Claims"). Contractor shall have no obligation to County under this Paragraph 14 (Patent, Copyright and Trade Secret Indemnification) to the extent any damages or losses arising under or resulting from an infringement claim are caused by use by County of the MRI and other medical imaging equipment or devices other than in accordance with the Agreement, the Specifications or other applicable Documentation.
- 14.1. Without limiting the foregoing, in the event County Global Project Director becomes aware that ongoing use of the MRI Equipment and other medical imaging equipment or devices, or any part of it, is the subject of any Infringement Claim that might preclude or impair County's use of the MRI Equipment or other medical imaging equipment or devices (e.g., injunctive relief), or that County's continued use of the MRI Equipment or any part of it may subject it to punitive damages or statutory penalties or other costs or expenses, County shall give notice to Contractor of such facts. Upon notice of such facts, Contractor shall, at no cost to County, either (a) procure the right, by license or otherwise, for County to continue to use the affected portion of the MRI Equipment and other medical imaging equipment or devices, or (b) to the extent Contractor is unable to procure such right, replace or modify the affected portion of the MRI Equipment and other medical imaging equipment or devices with a similar product of equivalent quality and performance capabilities, in County's reasonable determination, to become non-infringing, non-misappropriating and non-disclosing. If Contractor fails to complete the remedial acts set forth above within sixty (60) days of the date of the notice from County, or if completion is not possible despite Contractor's commercially reasonable best efforts within such sixty (60) days

period, and County has not approved in writing (such approval not to be unreasonably withheld) Contractor's plan of completing such remediation, then, in either instance County shall have the right without limiting any other rights or remedies that County may have under the Agreement or at law or equity, to take such remedial acts it determines to be reasonable to mitigate any impairment of its use of the MRI Equipment and other medical imaging equipment or devices. Contractor shall indemnify and hold County harmless for all amounts paid and all-direct and indirect costs associated with such remedial acts.

15. **NOTICE OF DELAY.** In the event Contractor determines at any time that failure, delay, or inadequacy of performance of any of County's obligations hereunder may prevent or tend to prevent Contractor from completing any of Contractor's obligations in a timely manner or may cause or tend to cause Contractor to incur additional or unanticipated costs or expenses, Contractor shall, within thirty (30) days following such determination, notify County Global Project Director in writing, which notice shall specify in reasonable detail: (a) any alleged failure, delay or inadequacy of performance by County and (b) to the best knowledge of Contractor after due inquiry and analysis, the estimated impact of such alleged failure, delay or inadequacy on the performance of Contractor's obligations, including any estimated delay and any estimated amount of additional or unanticipated cost or expense that may be incurred (a "Notice of Delay"). Such Notice of Delay shall be treated as a request by Contractor for a Change Order or an amendment to the Agreement, as applicable pursuant to Paragraph 7 (Change Orders and Amendments) of the Base Agreement. In the event Contractor fails to notify County in writing of any alleged failure, delay, or inadequacy of performance of any of County's obligations in a timely manner as set forth in this Paragraph 15 (Notice of Delay), Contractor shall not be entitled to rely upon such alleged failure, delay, or inadequacy of performance as a purported justification for either: (i) claiming that Contractor is entitled to receive any additional payments from County hereunder for damages that could have been avoided upon prompt notification by Contractor, or (ii) failing to fulfill any of Contractor's obligation in a timely manner. This Paragraph 15 (Notice of Delay) shall not be interpreted or construed as expanding in any manner the financial obligation of County under the Agreement.
16. **BUDGET REDUCTIONS.** In the event that the Board adopts, in any fiscal year, a County budget which provides for reductions in the salaries and benefits paid to the majority of County employees and imposes similar reductions with respect to County contracts, the County reserves the right to reduce its payment obligation correspondingly for the fiscal year and any subsequent fiscal year for services provided by Contractor under this Agreement. The County's notice to the Contractor regarding said reduction in payment obligation shall be provided within (30) calendar days of the Board's approval of such actions. At any time following such notification, if Contractor reasonably concludes that the County action will adversely impact Contractor's financial return under the Agreement, Contractor shall be entitled to an increase in its MRI fee-for-service payments on a going-forward basis that reasonably compensates Contractor for the County action. Contractor shall provide County with written notice of a proposed increase in its MRI fee-for-service rate, along with documentation showing the calculation of the increased MRI fee-for-service rate, which increase, if approved by the

County Board of Supervisors, shall go into effect 30 days following such notice. If the County Board of Supervisors fails to approve the revised MRI fee-for-service rate within such time period, Contractor may terminate this Agreement upon notice to County.

17. **FORCE MAJEURE.** Contractor shall not be liable for any related excess costs, if its failure to perform the Agreement arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by Contractor or any of Contractor's Subcontractors), freight embargoes, or other similar acts to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of Contractor. If the failure to perform is caused by the default of a Subcontractor, and if such default arises out of causes beyond the control of both Contractor and Subcontractor, and without any fault or negligence of either of them, Contractor shall not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the Subcontractor were obtainable from other sources in sufficient time to permit Contractor to meet the required performance schedule. Contractor agrees to use commercially reasonable best efforts to obtain such goods or services from other sources, and to mitigate the damages and reduce the delay caused by any of the above mentioned *force majeure* events. As used in this Paragraph 17 (Force Majeure), the term "Subcontractor" and "Subcontractors" mean Subcontractor(s) at any tier.

18. **CONTRACTOR RESPONSIBILITY AND DEBARMENT.**

- A. A responsible contractor is a contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is County's policy to conduct business only with responsible contractors.
- B. Contractor is hereby notified that, in accordance with Chapter 2.202 of Los Angeles County Code, (see Schedule 18.B (Determinations of Contractor Non-Responsibility and Contractor Debarment Ordinance), if County acquires information concerning the performance of Contractor on this or other contracts which indicates that Contractor is not responsible, the County may, in addition to other remedies provided in this Agreement, debar Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time not to exceed three (3) years, and terminate any or all existing contracts Contractor may have with the County.
- C. County may debar Contractor if County Board of Supervisors finds, in its discretion, that Contractor has done any of the following: (1) violated any material term of a contract with County or nonprofit corporation created by the County, (2) committed any act or omission which negatively reflects on Contractor's quality, fitness or capacity to perform a contract with the County or any other public entity, or nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty,

or (4) made or submitted a false claim against the County or any other public entity.

- D. If there is evidence that the Contractor may be subject to debarment, the Department of Health Service will notify Contractor in writing of the evidence, which is the basis for the proposed debarment and will advise Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
 - E. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.
 - F. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny or adopt the proposed decision and recommendation of the Contractor Hearing Board.
 - G. These terms shall also apply to Subcontractors/Subconsultants of County Contractors.
19. **COMPLIANCE WITH APPLICABLE LAW.** Contractor's activities hereunder shall comply with all applicable federal, state, and local laws, including the Health Insurance Portability and Accountability Act, and all rules, regulations, ordinances, guidelines, and directives, and all provisions required thereby to be included in the Agreement are hereby incorporated herein by reference. Unless provided otherwise under the Agreement, Contractor shall have up to fifteen (15) days to correct any noncompliance with County rules, regulations, ordinances, guidelines and directives following notice from County including written copies of such applicable rules, regulations, ordinances, guidelines and directives.
20. **FAIR LABOR STANDARDS.** Contractor shall comply with all applicable provisions of the federal fair labor standards act, and shall indemnify, defend, and hold harmless County, its officers, employees and agents from any and all liability, including damages, losses, wages, overtime pay, liquidated damages, penalties, court costs, fees and other expenses (including attorneys' fees) arising under any wage and hour law, including the federal fair labor standards act for Work performed by Contractor's employees.
21. **NONDISCRIMINATION, AFFIRMATIVE ACTION, AND ASSURANCES.** Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and will be treated equally as required by applicable laws and

regulations without regard to or because of race, color, religion, ancestry, national origin, sex, age, or physical or mental handicap, in compliance with all applicable federal and state anti-discrimination laws and regulations.

21.1. Contractor shall certify to, and comply with, the provisions of Contractor's EEO certification.

21.2. Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, or physical or mental handicap, in compliance with all applicable federal and state anti-discrimination laws and regulations. Such action shall include: employment upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

21.3. Contractor certifies and agrees that it will deal with its Subcontractors, bidders, or vendors as required by applicable laws and regulations without regard to or because of race, color, religion, ancestry, national origin, sex, age, or physical or mental handicap.

21.4. Contractor certifies and agrees that it, its affiliates, subsidiaries or holding companies, shall comply with all applicable federal and state laws and regulations including:

21.4.1. Title VII, Civil Rights act of 1964;

21.4.2. Section 504, Rehabilitation Act of 1973;

21.4.3. Age Discrimination Act of 1975;

21.4.4. Title IX, Education Amendments of 1973, as applicable; and

21.4.5. Title 43, part 17 code of federal regulations, subparts a & b.

And that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age or physical or mental handicap, be unlawfully excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under the Agreement, or under any project, program, or activity supported by the Agreement.

21.5. Contractor shall, with reasonable notice and during regular business hours, allow County representatives access to Contractor's employment records during regular business hours to verify compliance with the provisions of this Paragraph 21 (Nondiscrimination, Affirmative Action, and Assurances) when so requested by County; provided that County's access to such employment records of Contractor shall be limited to access that does not constitute an unlawful invasion of the privacy rights of any such employee. If County finds that any of the provisions of

this Paragraph 21 (Nondiscrimination, Affirmative Action, and Assurances) have been violated, such violation shall, at the election of County constitute a material breach of the Agreement upon which County may immediately terminate the Agreement. While County reserves the right to determine independently that the anti-discrimination provisions of the Agreement have been violated, in addition, a determination by the California Fair Employment Practices Commission or the federal Equal Employment Opportunity Commission that Contractor has violated state or federal anti-discrimination laws or regulations shall constitute a finding by County that Contractor has violated the anti-discrimination provisions of the Agreement. All determinations of violations made pursuant to this Paragraph 21.5 shall be appealable by Contractor in accordance with applicable laws and regulations and separately pursuant to the Dispute Resolution Procedures.

- 21.6. The parties agree that if Contractor violates the anti-discrimination provisions of the Agreement, County shall, at its option, be entitled to the sum of five hundred dollars (\$500) for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating the Agreement.

22. **EMPLOYMENT ELIGIBILITY VERIFICATION.**

- 22.1. Contractor warrants that it fully complies with all applicable federal and state statutes and regulations regarding the employment of aliens and others and that all its employees performing work under the Agreement meet the citizenship or alien status requirements set forth in federal and state statutes and regulations. Contractor shall obtain, from all employees performing Work hereunder, all verification and other documentation of employment eligibility status required by federal statutes and regulations as they currently exist and as they may be hereafter amended.

- 22.2. Contractor shall retain all such documentation for the period prescribed by applicable law. Contractor shall indemnify, defend, and hold harmless County Indemnitees pursuant to Paragraph 13.1 (Indemnification) of this Exhibit from and against any and all liability (alleged or actual), including damages, losses, fees, costs, and expenses (including defense costs and legal, accounting and other expert witness, consulting or professional fees) arising out of or in connection with any employer sanctions and any other liability which may be assessed against Contractor or County in connection with any alleged violation of any applicable federal or state statutes or regulations pertaining to the eligibility for employment of any persons performing Work hereunder.

23. **HIRING OF EMPLOYEES.** Contractor and County agree that, during the Term and for a period of one (1) year thereafter, except with the prior written consent of the other party, neither party shall in any way intentionally induce or solicit any Project Director, Project Manager or other employee, of one party to become an employee or agent of the other party. Notwithstanding the foregoing, County shall be entitled to make offers of employment to employees of Contractor necessary or desirable to perform Work described in the Agreement, in the event that: (a) County has the right to terminate the

Agreement pursuant to Paragraph 4 (Termination for Insolvency) of this Exhibit, or (b) the Agreement is terminated by County due to Contractor's default pursuant to Paragraph 5 (Termination for Default) of this Exhibit.

24. **CONFLICT OF INTEREST.**

24.1. No County employee whose position with County enables such employee to influence the award of the Agreement or any competing agreement, and no spouse or economic dependent of such employee, shall be employed in any capacity by Contractor or have any other direct or indirect financial interest in the Agreement. No officer or employee of Contractor, who may financially benefit from the performance of Work hereunder, shall in any way participate in County's approval, or ongoing evaluation, of such Work, or in any way attempt to unlawfully influence County's approval or ongoing evaluation of such Work.

24.2. Contractor shall comply with all conflict of interest laws, ordinances and regulations now in effect or hereafter to be enacted during the Term. Contractor warrants that it is not now aware of any facts that do or could create a conflict of interest. If Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to County. Full written disclosure shall include identification of all persons implicated and a complete description of all relevant circumstances.

25. **RESOLICITATION OF BIDS, PROPOSALS, OR INFORMATION.**

25.1. Contractor acknowledges that, prior to the expiration or earlier termination of the Agreement, County, in its discretion, may exercise its right to invite bids, request information, or request proposals for the continued provision of the goods and services delivered or contemplated under the Agreement. County shall make the determination to re-solicit bids, request information, or request proposals in accordance with applicable County policies.

25.2. Contractor acknowledges that County, in its discretion may enter into a contract for the future provisions of goods and services, based upon the bids, information or proposals received, with a provider or providers other than Contractor. Further, Contractor acknowledges that it obtains no greater right to be selected through any future invitation for bids, request for information, or request for proposals by virtue of its present status as Contractor.

26. **RESTRICTIONS ON LOBBYING.** Contractor and each County lobbyist or County lobbying firm as defined in Los Angeles County Code Section 2.160.010, retained by Contractor, shall fully comply with County lobbyist ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of Contractor or any County lobbyist or County lobbying firm retained by Contractor to fully comply with County lobbyist ordinance shall constitute a material breach of the Agreement upon which County may immediately terminate the Agreement.

27. **CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS.** Should Contractor require additional or replacement personnel after the Effective Date, Contractor shall give consideration for any such employment openings to participants in County's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that Contractor will interview qualified candidates. County will refer GAIN/GROW participants by job category to Contractor.

In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first priority.

28. **NONDISCRIMINATION IN SERVICES.** Contractor shall not discriminate in the provision of services hereunder because of race, color, religion, national origin, ancestry, sex, age, or physical or mental handicap, in accordance with all applicable requirements of federal and state law. For the purpose of this Paragraph 28 (Nondiscrimination in Services), discrimination in the provision of services may include the following: (a) denying any person any service or benefit or the availability of the facility, (b) providing any service or benefit to any person which is not equivalent or is not provided in an equivalent manner or at an equivalent time to that provided to others, (c) subjecting any person to segregation or separate treatment in any manner related to the receipt of any service, (d) restricting any person in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit, and (e) treating any person differently from others in determining admission, enrollment quota, eligibility, membership, or any other requirements or conditions which persons must meet in order to be provided any service or benefit.
29. **STAFF PERFORMANCE WHILE UNDER THE INFLUENCE.** Subject to all applicable laws and regulations, Contractor shall use reasonable efforts to ensure that no employee will perform services hereunder while under the influence of any alcoholic beverage, medication, narcotic, or other substance, which might reasonably, or have been observed to, impair such person's physical or mental performance.
30. **CONTRACTOR PERFORMANCE DURING CIVIL UNREST.** Contractor recognizes that County provides services essential to the residents of the communities it serves, and that these services are of particular importance at the time of a riot, insurrection, civil unrest, natural disaster or similar event. Notwithstanding any other provision of this Exhibit or the Agreement, full performance by Contractor during any riot, insurrection, civil unrest, natural disaster or similar event is not excused if such performance remains physically possible without related danger to Contractor's or Subcontractor's employees or suppliers, as determined in good faith by the Contractor or Subcontractor as applicable. During any such event in which the health or safety of any of Contractor's staff members would be endangered by performing their services on-site, such staff members may perform, if possible, any or all of their services remotely. Failure to comply with this requirement shall be considered a material breach of this Agreement by Contractor, for which County may immediately terminate this Agreement.

31. **CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM.**

31.1. Contractor Compliance – County's Child Support Compliance Program. Bidders/Proposers shall: 1) fully comply with all applicable State and Federal reporting requirements relating to employment reporting for its employees; and, 2) comply with all lawfully served Wage and Earnings Assignment Orders and Notice of Assignment and continue to maintain compliance during the term of any contract that may be awarded pursuant to this solicitation. Failure to comply may be cause for termination of a contract or initiation of debarment proceedings against the non-compliant contractor (County Code Chapter 2.202).

31.2. Contractor acknowledges that County has established a goal of ensuring that all individuals who benefit financially from County through contract are in compliance with their court-ordered child, family, and spousal support obligations in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

As required by County's Child Support Compliance Program (CSCP) (County Code Chapter 2.200) and without limiting Contractor's duty under this contract to comply with all applicable provisions of law, Contractor warrants that it is now in compliance and shall during the term of this contract maintain in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholdings Orders or Child Support Service Department (CSSD) Notices of Wage and Earnings Assignment for Child, Family, or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

31.3. Termination for Breach of Warranty to Maintain Compliance With County's Child Support Compliance Program: Failure of Contractor to maintain compliance with the requirements set forth in Paragraph 31 "CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM" shall constitute default under this contract. Without limiting the rights and remedies available to County under any other provision of this contract, failure of Contractor to cure such default within 90 calendar days of written notice shall be grounds upon which County may terminate this contractor pursuant to Paragraph 5 "TERMINATION FOR DEFAULT" and pursue debarment of Contractor, pursuant to County Code Chapter 2.202.

32. **RECYCLED-CONTENT PAPER.** Consistent with the Board's policy to reduce the amount of solid waste deposited at County landfills, Contractor agrees to use recycled-content paper to the maximum extent possible in Contractor's provision of Work pursuant to the Agreement.

33. **COMPLIANCE WITH JURY SERVICE PROGRAM.**

33.1. Jury Service Program. This Agreement is subject to the provisions of County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code.

33.2. Written Employee Jury Service Policy.

33.2.1. Unless Contractor has demonstrated to County's satisfaction either that Contractor is not a "contractor" as defined under the Jury Service Program (Section 2.203.020 of the Los Angeles County Code) or that Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the Los Angeles County Code), Contractor shall have and adhere to a written policy that provides that its employees shall receive from Contractor, on an annual basis, no less than five (5) days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with Contractor or that Contractor deduct from the employees' regular pay the fees received for jury service.

33.2.2. For purposes of this Paragraph 33 (Compliance with Jury Service Program), "contractor" means a person, partnership, corporation or other entity which has a contract with County or a subcontract with a County contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full time employee of Contractor. "Full time" means 40 hours or more worked per week, or a lesser number of hours if: (a) the lesser number is a recognized industry standard as determined by County, or (b) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any Subcontractor to perform services for County under the contract, the Subcontractor shall also be subject to the provisions of this Paragraph (Compliance with Jury Service Program). The provisions of this Paragraph 33 (Compliance with Jury Service Program) shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

33.2.3. If Contractor is not required to comply with the Jury Service Program when the Contract commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify County if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Jury Service Program. In either event, Contractor shall

immediately implement a written policy consistent with the Jury Service Program. County may also require, at any time during the Term and at its sole discretion, that Contractor demonstrate to County's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "contractor" or that Contractor continues to qualify for an exception to the Jury Service Program.

33.2.4. Contractor's violation of this Paragraph (Compliance with Jury Service Program) of this Exhibit may constitute a material breach of the Agreement. In the event of such material breach, County may, in its sole discretion, terminate the Agreement or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

34. **CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO CHILD SUPPORT ENFORCEMENT.** Contractor acknowledges that County places a high priority on the enforcement of child support laws and the apprehension of child support evaders. Contractor understands that it is County's policy to encourage all County Contractors to voluntarily post County's "LA's Most Wanted: Delinquent Parents" poster in a prominent position at Contractor's place of business. CSSD will supply Contractor with the poster to be used.
35. **ACCESS TO COUNTY FACILITIES.** Contractor, its employees, and agents will be granted access to County facilities, subject to Contractor's prior notification to County Global Project Director, for the purpose of executing Contractor's obligations hereunder, including for the provision of Maintenance Services. Unless otherwise determined necessary by County Global Project Director, access to County facilities shall be restricted to normal business hours, 8:00 a.m. until 5:00 p.m., Pacific Time, Monday through Friday, County observed holidays excepted. Access to County facilities outside of normal business hours must be approved in writing in advance by County Global Project Director. Contractor shall have no tenancy, or any other property or other rights in County facilities. While present at County facilities, Contractor's personnel shall be accompanied by County personnel at all times, unless this requirement is waived in writing prior to such event by County Global Project Director.
36. **COUNTY FACILITY OFFICE SPACE.** In order for Contractor to perform services hereunder and only for the performance of such services, County may elect, subject to County's standard administrative and security requirements, to provide Contractor with office space and equipment, as determined at the discretion of County Global Project Director, at County facilities, on a non-exclusive use basis. County shall also provide Contractor with reasonable telephone service and network connections in such office space for use only for purposes of the Agreement. County disclaims any and all responsibility for the loss, theft or damage of any property or material left at such County office space by Contractor.

37. **DAMAGE TO COUNTY FACILITIES, BUILDINGS, OR GROUNDS.**

37.1. Contractor shall repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings or grounds caused by Contractor or employees or agents of Contractor. Such repairs shall be made immediately after Contractor has become aware of such damage, but in no event later than thirty (30) days after the occurrence, or if such repairs are not susceptible to completion within thirty (30) days, Contractor shall immediately and diligently commence such repairs, which shall be completed within ninety (90) days, unless the County authorizes a longer time in writing.

37.2. If Contractor fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs shall be repaid by Contractor by cash payment upon demand, or without limitation of all County's other rights and remedies provided at law, or equity, or under the Agreement, County may deduct such costs from any amounts due to Contractor from County under the Agreement.

38. **PHYSICAL ALTERATIONS.** Contractor shall not in any way physically alter or improve any County facility without the prior written approval of the County Steering Committee Chair, and County's Director of Internal Services Department, in their discretion.

39. **FEDERAL EARNED INCOME TAX CREDIT.** Contractor shall notify its employees, and shall require each Subcontractor to notify its employees, that they may be eligible for the federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015.

40. **ASSIGNMENT BY CONTRACTOR.**

40.1. Contractor shall not assign its rights or delegate its duties under the Agreement, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this Paragraph 40.1, County consent shall require a written amendment to the Agreement, which is formally approved and executed by the parties, including the Board.

40.2. Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person, corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Agreement, such disposition is an assignment requiring the prior written consent of County in accordance with Paragraph 40.1 of this Exhibit.

41. INDEPENDENT CONTRACTOR STATUS.

- 41.1. The Agreement is by and between County and Contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between County and Contractor. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever. Contractor shall function as, and in all respects is, an independent contractor.
- 41.2. County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, federal, state, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of Contractor, including any Subcontractor personnel engaged directly or indirectly by Contractor in connection with Contractor's performance under the Agreement.
- 41.3. Contractor understands and agrees that all persons performing Work pursuant to the Agreement are, for purposes of workers' compensation liability, the sole employees of Contractor and not employees of County. County shall have no obligation to furnish, or liability for, workers' compensation benefits to any person as a result of any injuries arising from or connected with any Work performed by or on behalf of Contractor pursuant to the Agreement.
- 41.4. Contractor shall provide to County an executed Contractor's Employee Acknowledgement and Confidentiality Agreement (Schedule 3) for each of its employees performing Work under the Agreement. Such agreements shall be delivered to County Global Project Director.

42. RECORDS AND AUDITS.

- 42.1. Contractor shall maintain accurate and complete financial records of its activities and operations relating to the Agreement, including any termination hereof, in accordance with generally accepted accounting principles. Contractor shall also maintain accurate and complete employment and other records relating to its performance of the Agreement. Contractor agrees that County, or its authorized representatives, shall, with reasonable notice and during regular business hours, have access to and the right to examine, audit, excerpt, copy or transcribe any pertinent transaction, activity, or records of Contractor relating to the Agreement; provided that County's access to such employment records of Contractor shall be limited to access that does not constitute an unlawful invasion of the privacy rights of any such employee. Should the examination and audit be performed by a non-County entity or should a non-County entity be requested by County to review information received pursuant to an audit or examination under this Paragraph 42 (Records and Audits), Contractor may require the non-County examiner or auditor, as the case may be, to execute a nondisclosure agreement prior to any disclosure. The nondisclosure agreement shall limit the non-County entity's use of information received or reviewed in connection with the

examination and audit to work performed specifically for the benefit of County. All such material, including all financial records, time cards and other employment records, shall be kept and maintained by Contractor and shall be made available to County during the Term and for a period of five (5) years thereafter unless County's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then at Contractor's option, Contractor shall either (a) provide County with access to such material at a mutually agreed upon location inside Los Angeles County, or (b) pay County for travel, per diem, and other costs and expenses incurred by County to examine, audit, excerpt, copy or transcribe such material at such outside location.

- 42.2. If an audit is conducted of Contractor specifically regarding the Agreement by any federal or state auditor, then Contractor shall file a copy of such audit report with County's Auditor Controller and County Project Director within thirty (30) days of Contractor's receipt thereof, unless otherwise provided by applicable federal or state law or under the Agreement.
- 42.3. If, at any time during or after the Term, representatives of County conduct an audit of Contractor, as and to the extent permitted hereunder, regarding the Work performed under the Agreement, the results of such audit, including any final determination in respect of an underpayment or overpayment, if any by County under the Agreement, shall be provided in writing to Contractor. Contractor shall have thirty (30) days to review the findings contained in such audit and notify County of any objection to the same. Such notice must include, in reasonable detail, the basis for Contractor's objection and any supporting documentation and analysis for Contractor's objection. If the parties cannot agree, within fifteen (15) days of receipt of Contractor's objection to the findings contained in County's audit, on the amount of underpayment or overpayment, if any, by County to Contractor hereunder, then either party may submit such matter to the Dispute Resolution Procedure, provided such matter shall be submitted initially, directly to County Global Project Director and Contractor Project Director. If Contractor fails to notify County of any objection it has to the findings of County's audit within the thirty (30) day period set forth above, Contractor waives any right to object to the findings of such audit, including any determination of overpayment by County. If such audit, whether initially following a waiver by Contractor of its right of objection or upon final determination pursuant to the Dispute Resolution Procedure, finds that County's dollar liability for any such Work is less than payments made by County to Contractor, then the difference shall be repaid by Contractor to County by cash payment upon demand or, at discretion of County Global Project Director, deducted from any amounts due to Contractor from County. Further, if the amount owed by Contractor to County exceeds ten percent (10%) of the value of the Contractor's invoices to County for the period at issue, the Contractor shall also be responsible for County's reasonable costs of audit. If such audit finds that County's dollar liability for such Work is more than the payments made by County to Contractor, then the difference shall be paid to

Contractor by County. Nothing herein shall be construed to limit the rights or remedies available to either party at law or in equity, or under the Agreement.

43. **LICENSES, PERMITS, REGISTRATIONS, ACCREDITATION, AND CERTIFICATES.** Contractor shall obtain and maintain in effect during the Term all licenses, permits, registrations, accreditation, and certificates required by all federal, state, and local laws, ordinances, rules, and regulations, which are applicable to Contractor's services under the Agreement. Contractor shall further ensure that all of its officers, employees, agents, and Subcontractors who perform services hereunder, shall obtain and maintain in effect during the Term all licenses, permits, registrations, accreditation, and certificates which are applicable to their performance hereunder. A copy of each such Contractor license, permit, registration, accreditation, and certificate required by all applicable federal, state, and local laws, ordinances, rules, regulations, guidelines, and directives shall be provided, in duplicate, to the County Global Project Director.
44. **AUTHORIZATION WARRANTY.** Contractor hereby represents and warrants that the person executing the Agreement for Contractor is an authorized agent who has actual authority to bind Contractor to each and every term, condition, and obligation of the Agreement and that all requirements of Contractor have been fulfilled to provide such actual authority.
45. **NO THIRD PARTY BENEFICIARIES.** Notwithstanding any other provision of the Agreement, Contractor and County do not in any way intend that any person or entity shall acquire any rights as a third party beneficiary of the Agreement, except that this Paragraph 45 (No Third Party Beneficiaries) shall not be construed to diminish Contractor's indemnification obligations hereunder.
46. **MOST FAVORED PUBLIC ENTITY.** If Contractor, at any time during the Term, provides the same package of goods and services under similar quantity and delivery conditions to the State of California or any county, municipality, public agency, or district within California pursuant to a compensation package more favorable than set forth in the Agreement, then such favorable compensation package shall be presented immediately to County for negotiation.
47. **COUNTY'S QUALITY ASSURANCE PLAN.** County or its agent will evaluate Contractor's performance under the Agreement on not less than an annual basis. Such evaluation will include assessing Contractor's compliance with the terms and performance standards of the Agreement. Contractor deficiencies which County determines are severe or continuing and that may place performance of the Agreement in jeopardy if not corrected will be reported to the Board after County has notified Contractor in detail of such deficiency and given Contractor a reasonable period of time to correct the deficiency. The report will include improvement and corrective action measures taken by County and Contractor. If improvement does not occur consistent with the corrective action measures, County may terminate the Agreement or impose other penalties as specified in the Agreement.

48. **COMPLIANCE WITH THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996.** The parties acknowledge the existence of the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations ("HIPAA"). Contractor understands and agrees that, as a provider of medical treatment services, it is a "covered entity" under HIPAA and, as such, has obligations with respect to the confidentiality, privacy and security of patients' medical information, and must take certain steps to preserve the confidentiality of this information, both internally and externally, including the training of its staff and the establishment of proper procedures for the release of such information, and the use of appropriate consents and authorizations specified under HIPAA.

The parties acknowledge their separate and independent obligations with respect to HIPAA, and that such obligations relate to transactions and code sets, privacy, and security. Contractor understands and agrees that it is separately and independently responsible for compliance with HIPAA in all these areas and that County has not undertaken any responsibility for compliance on Contractor's behalf. Contractor has not relied, and will not in any way rely, on County for legal advice or other representations with respect to Contractor's obligations under HIPAA, but will independently seek its own counsel and take the necessary measures to comply with the law and its implementing regulations.

CONTRACTOR AND COUNTY UNDERSTAND AND AGREE THAT EACH IS INDEPENDENTLY RESPONSIBLE FOR HIPAA COMPLIANCE AND AGREE TO TAKE ALL NECESSARY AND REASONABLE ACTIONS TO COMPLY WITH THE REQUIREMENTS OF THE HIPAA LAW AND IMPLEMENTING REGULATIONS RELATED TO TRANSACTIONS AND CODE SET, PRIVACY, AND SECURITY. EACH PARTY FURTHER AGREES TO INDEMNIFY AND HOLD HARMLESS THE OTHER PARTY (INCLUDING THEIR OFFICERS, EMPLOYEES, AND AGENTS), FOR ITS FAILURE TO COMPLY WITH HIPAA.

49. **CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFF/OR RE-EMPLOYMENT LIST.** Should Contractor require personnel in addition to those employed by Contractor on the Effective Date to perform the services set forth herein, Contractor shall give consideration for such employment openings to qualified, permanent County employees who are targeted for layoff or qualified, former County employees who are on a re-employment list during the life of this Contract. For this purpose, consideration shall mean that Contractor will interview qualified candidates. Prior to consideration being given by Contractor, County will refer such County employees by job category to Contractor. The above obligations do not apply to positions filled by: (a) third parties who have subcontracted with Contractor to perform the services, or (b) Contractor's current employees.
50. **[INTENTIONALLY DELETED].**
51. **NO PAYMENT FOR SERVICES PROVIDED FOLLOWING EXPIRATION/TERMINATION OF AGREEMENT.** Contractor shall have no claim against County for payment of any money or reimbursement, of any kind whatsoever, for

any service provided by Contractor after the expiration or other termination of this Contract, except as otherwise provided in the Agreement. Should Contractor receive any such payment it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for services rendered after expiration or termination of this Agreement shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Agreement.

52. **SAFELY SURRENDERED BABY LAW.** Contractor shall notify and provide to its employees residing in or working in the State of California, and shall require each Subcontractor performing work under this Agreement to notify and provide to its employees residing in or working in the State of California, information regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is available on the Internet at www.babysafela.org for printing purposes.
53. **WAIVER.** No waiver by either party of any breach of any provision of the Agreement shall constitute a waiver of any other breach or of such provision. Failure of either party to enforce at any time, or from time to time, any provision of the Agreement shall not be construed as a waiver thereof. The rights and remedies set forth in the Agreement shall not be exclusive and are in addition to any other rights and remedies provided at law or in equity, or under the Agreement.
54. **GOVERNING LAW, JURISDICTION, AND VENUE.** The Agreement shall be governed by, and construed in accordance with, the substantive and procedural laws of the State of California applicable to Agreements made and to be performed within that state. Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California (except with respect to claims that are subject to exclusive federal subject matter jurisdiction, as to which Contractor agrees and consents to the exclusive jurisdiction of the United States District Court of the Central District of California) for all purposes regarding the Agreement and further agrees and consents that venue of any action brought hereunder shall be exclusively in the same courts.
55. **SEVERABILITY.** In the event that one or more of the provisions of the Agreement is found to be invalid, illegal or unenforceable in any respect, such provision shall be deleted herefrom and the validity, legality, and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby, unless the Agreement fails of its essential purpose because of such deletion.
56. **RIGHTS AND REMEDIES.** The rights and remedies of County and Contractor provided in any given Paragraph, as well as throughout the Agreement, including throughout this Exhibit, are non-exclusive and cumulative with any and all other rights and remedies under this Agreement, at law, or in equity.
57. **FACSIMILE.** Except for the parties initial signatures to the Agreement, which must be provided in "original" form, and not by facsimile, County and Contractor hereby agree to regard facsimile representations of original signatures of authorized officials of each

party, when appearing in appropriate places on change notices or in other correspondence, notices, etc. requiring signatures, and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed thereto, such that the parties need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of "original" versions of such documents.

58. **CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION – LOWER TIER COVERED TRANSACTIONS (45 C.F.R. PART 76).** Contractor hereby acknowledges that the County is prohibited from contracting with and making sub-awards to parties that are suspended, debarred, ineligible, or excluded from securing federally funded contracts. By executing this Agreement, Contractor certifies that neither it nor any of its owners, officers, partners, directors, or principals is currently suspended, debarred, ineligible, or excluded from securing federally funded contracts. Further, by executing this Agreement, Contractor certifies that, to its knowledge, none of its subcontractors, at any tier, or any owner, officer, partner, director, or other principal of any subcontractor is currently suspended, debarred, ineligible, or excluded from securing federally funded contracts. Contractor shall immediately notify County in writing, during the term of this Agreement, should it or any of its Subcontractors or any principals of either be suspended, debarred, ineligible, or excluded from securing federally funded contracts. Failure of Contractor to comply with this provision shall constitute a material breach of this Agreement upon which the County may immediately terminate this Agreement.

Schedule 9.3.2

LA County Facilities - Harbor/UCLA, Olive View, MLK-MACC, Rancho Los Amigos

Insight Capital Investment -- Amortization Schedule

| Center | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 |
|--------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-----------|
| Harbor / UCLA | | | | | | | | | | |
| Facility / Project | \$1,233,511 | \$1,110,160 | \$986,809 | \$863,458 | \$740,107 | \$616,756 | \$493,404 | \$370,053 | \$246,702 | \$123,351 |
| Pacs / IT | \$154,938 | \$139,444 | \$123,950 | \$108,457 | \$92,963 | \$77,469 | \$61,975 | \$46,481 | \$30,988 | \$15,494 |
| Total | \$1,388,449 | \$1,249,604 | \$1,110,759 | \$971,914 | \$833,069 | \$694,225 | \$555,380 | \$416,535 | \$277,690 | \$138,845 |
| Olive View | | | | | | | | | | |
| Facility / Project | \$1,140,703 | \$1,026,633 | \$912,562 | \$798,492 | \$684,422 | \$570,352 | \$456,281 | \$342,211 | \$228,141 | \$114,070 |
| Pacs / IT | \$157,218 | \$141,496 | \$125,774 | \$110,053 | \$94,331 | \$78,609 | \$62,887 | \$47,165 | \$31,444 | \$15,722 |
| Total | \$1,297,921 | \$1,168,129 | \$1,038,337 | \$908,545 | \$778,753 | \$648,961 | \$519,168 | \$389,376 | \$259,584 | \$129,792 |
| MLK - MACC | | | | | | | | | | |
| Facility / Project | \$1,182,665 | \$1,064,399 | \$946,132 | \$827,866 | \$709,599 | \$591,333 | \$473,066 | \$354,800 | \$236,533 | \$118,267 |
| Pacs / IT | \$151,898 | \$136,708 | \$121,518 | \$106,329 | \$91,139 | \$75,949 | \$60,759 | \$45,569 | \$30,380 | \$15,190 |
| Total | \$1,334,563 | \$1,201,107 | \$1,067,650 | \$934,194 | \$800,738 | \$667,282 | \$533,825 | \$400,369 | \$266,913 | \$133,456 |
| Rancho Los Amigos | | | | | | | | | | |
| Facility / Project | \$1,004,535 | \$904,082 | \$803,628 | \$703,175 | \$602,721 | \$502,268 | \$401,814 | \$301,361 | \$200,907 | \$100,454 |
| Pacs / IT | \$151,898 | \$136,708 | \$121,518 | \$106,329 | \$91,139 | \$75,949 | \$60,759 | \$45,569 | \$30,380 | \$15,190 |
| Total | \$1,156,433 | \$1,040,790 | \$925,146 | \$809,503 | \$693,860 | \$578,217 | \$462,573 | \$346,930 | \$231,287 | \$115,643 |
| Total | | | | | | | | | | |
| Facility / Project | \$4,561,414 | \$4,105,273 | \$3,649,131 | \$3,192,990 | \$2,736,848 | \$2,280,707 | \$1,824,566 | \$1,368,424 | \$912,283 | \$456,141 |
| Pacs / IT | \$615,952 | \$554,357 | \$492,762 | \$431,166 | \$369,571 | \$307,976 | \$246,381 | \$184,786 | \$123,190 | \$61,595 |
| Total | \$5,177,366 | \$4,659,629 | \$4,141,893 | \$3,624,156 | \$3,106,420 | \$2,588,683 | \$2,070,946 | \$1,553,210 | \$1,035,473 | \$517,737 |

Amortization method: 10 yr. straight-line

| Deinstall / Remove Modular(x3 locations) 1.5T (x3 locations) 1.5T 3.0T | Deinstall | Rigging | Transport | Restoration | | Warehousing | MLK Uniques | |
|--|-----------|----------|-----------|--------------|--------------|-------------|-----------------|-----------------|
| | | | | Construction | Construction | | OV, MLK, Rancho | OV, MLK, Rancho |
| | \$1,000 | \$10,000 | \$5,000 | \$20,000 | \$20,000 | \$5,000 | \$10,000 | \$10,000 |
| | \$5,000 | \$10,000 | \$5,000 | \$0 | \$0 | \$5,000 | \$0 | \$0 |
| | \$5,000 | \$10,000 | \$5,000 | \$20,000 | \$20,000 | \$5,000 | \$0 | \$0 |
| | \$5,000 | \$10,000 | \$5,000 | \$20,000 | \$20,000 | \$5,000 | \$0 | \$0 |

**EXHIBIT B - STATEMENT OF WORK, PART I
MAGNETIC RESONANCE IMAGING SERVICES**

PART I: CONSTRUCTION

I. SCOPE OF WORK:

Contractor shall renovate and maintain the existing MRI building at Harbor-UCLA Medical Center to house a new MRI unit to fulfill the services under this Agreement.

Contractor shall construct modular structures at three (3) County locations (MLK-MACC, Olive View Medical Center, and Rancho Los Amigos National Rehabilitation Center) to house new MRI units to fulfill the services under this Agreement.

Contractor shall utilize County approved schematic designs for each of the four (4) County locations as outlined in Attachments A-1, A-2, A-3 & A-4.

Contractor shall provide all planning and construction documents necessary to obtain jurisdictional approvals and permits, including all related construction and renovation work needed to install new MRI units.

Design and construction work shall be conducted and managed by the Contractor in accordance with all applicable laws and regulations.

The scope of work at Harbor-UCLA Medical Center includes 2,000 SF of renovation to accommodate a new MRI scan room and associated support spaces at the existing fixed site, and an HVAC upgrade, interior and exterior finish upgrades, and roof replacement for the entire 14,660 SF of existing buildings, all associated site and utility work, and parking lot improvements. See Attachment B-1.

The scope of work at MLK-MACC includes the construction and installation of a 1,680 SF modular building, furnishings and equipment as required to provide MRI scanning services as specified in the Agreement, all associated site and utility work, a canopy-covered walkway and parking lot improvements. The existing modular building and all its contents will be removed, and retained and/or disposed of, by Contractor, at its sole cost, upon the completion of the construction phase. See Attachment B-2.

The scope of work at Olive View Medical Center includes the construction and installation of a 2,240 SF modular building, furnishings and equipment as required to provide MRI scanning services as specified in the Agreement, all associated site and utility work, entrance canopies and parking lot improvements. The existing modular building will remain in place, but the existing MRI scanner, its associated support equipment, and all other contents will be removed and retained by Contractor, at its sole cost, upon the completion of the construction phase. See Attachment B-3.

The scope of work at RLANRC includes removal, and retention and/or disposal, by Contractor, at its sole cost, of the existing modular building and all of its contents, the construction and installation of a 1,680 SF modular building, furnishings and equipment as required to provide MRI scanning services as specified in the Agreement, all associated site and utility work including new canopy-covered walkways. Contractor shall provide a

EXHIBIT B - STATEMENT OF WORK, PART I MAGNETIC RESONANCE IMAGING SERVICES

mobile MRI during the construction phase as required to provide all MRI services to RLANRC patients. See Attachment B-4.

At each location, the work shall include multiple-outlet data/phone jacks and Category 5 Enhanced (Cat 5-E) data cabling for all data devices as well as voice grade cabling for telephones within each Facility. In addition, Contractor shall ensure that Facilities are properly connected to County-provided points of connection at each Facility.

II. TASKS AND DELIVERABLES:

DESIGN/PERMITS:

- A. Contractor shall be responsible for providing OSHPD and/or Building and Safety approved drawings and permits, including but not limited to: Architectural, Structural, Mechanical, Plumbing, Electrical, ADA, Deferred Approvals and TIOs (testing, inspection and observation) for those items that may be subject to those agencies.
- B. Prior to design, Contractor shall review existing as-built drawings for planning purposes. Building design will be developed by Contractor in consultation with applicable Facility staff designated by County.
- C. Contractor shall obtain the service of a licensed radiation physicist to specify radiation protection, as appropriate.
- D. Prior to design, Contractor shall verify all relevant site conditions including but not limited to site utilities (including medical gas, electric, water, drain, and plumbing).
- E. County and Facility Project Managers shall approve all design development plans and construction documents prior to submitting plans for jurisdictional approvals.
- F. Contractor shall be responsible for all plan check fees and construction related permit fees.

CONSTRUCTION:

- A. Contractor shall provide any and all construction activities including but not limited to: demolition, structural, site work, electrical power, lighting, HVAC, mechanical, plumbing, drywall and framing, cabinets, painting, medical gas, shielding, fire alarm, ADA compliance, ceiling, fencing, waste lines, concrete, fire alarm, fire sprinkler, canopies, metals, telephone data and flooring systems in accordance with the approved construction documents as necessary to permit the installation of the MRI equipment at the facilities.
- B. Contractor shall be responsible for removal and disposal of any and all items required for the MRI equipment installation.

**EXHIBIT B - STATEMENT OF WORK, PART I
MAGNETIC RESONANCE IMAGING SERVICES**

- C. Contractor shall be responsible for all clean up during construction, final cleaning prior to MRI equipment delivery and hauling of all construction related debris.
- D. Contractor shall be responsible for all necessary testing, certifications and inspection fees. Testing, certifications and inspections shall be provided by certified agencies approved by the County. The County shall be responsible for arranging and paying for an OSHPD IOR (Inspector of Record), as needed.
- E. Contractor shall be responsible for all agreed upon repairs and upgrades to existing MRI building at Harbor-UCLA Medical Center.
- F. Contractor shall provide hazardous material abatement, if applicable, as required by State law with respect to the modular structures and existing MRI building at Harbor-UCLA Medical Center. Contractor shall be responsible for any required air monitoring during the abatement process, if applicable. Air monitoring shall be provided by a certified laboratory other than the abatement company. Contractor shall provide final Air Clearance Certificate by a certified laboratory other than the abatement company. It is understood and agreed that Contractor shall be responsible for hazardous material abatement only in connection with premises that have been solely controlled and operated by Contractor in the provision of MRI services.
- G. Contractor shall verify acceptability of the MRI Mobile location provided at each Facility, and Contractor shall provide all utilities and connections required including but not limited to water, electricity, drain, telephone and data.
- H. Contractor and its Subcontractors performing work on County premises shall be responsible for initiating, maintaining and supervising a reasonable and prudent safety program including, but not limited to the isolation of work areas and the prompt removal of any debris or tools which might endanger visitors, patients or employees of the Facility.
- I. The Contractor's work and responsibility shall include: any work with intercom or PA systems as required, special inspections, OSHPD permits and plan check fees, rigging of the MRI, emergency lighting or utility power, medical gas systems as required, shielding, over excavation and re-compaction for foundation, removal or encapsulation of hazardous materials including air monitoring and modification or addition of the building fire annunciation panel/system.

PROJECT MANAGEMENT:

- A. Contractor's Project Manager: In accordance with Section 4 of the Agreement, Contractor shall assign a Project Manager to manage and oversee design, permits, construction, and equipment installation activities at each Facility. Contractor's Project Manager shall be available at each County facility as reasonably required by County's Project Manager. Contractor's Project Manager shall notify the County of

**EXHIBIT B - STATEMENT OF WORK, PART I
MAGNETIC RESONANCE IMAGING SERVICES**

any proposed project construction modification or proposed changes in scope of work.

- B. County's Project Manager: In accordance with Section 3 of the Agreement, County shall assign a Project Manager to monitor contract performance during this Agreement. Contractor shall abide by reasonable recommendations made by County's Project Manager so long as such recommendations are consistent with the Agreement and do not impose unnecessary costs on Contractor.
- C. Project Status Reports: Contractor shall provide the County with project progress reports on a monthly basis and if major changes occur; these reports will be required until the construction project is completed and approved by the County.
- D. Facility's Project Manager: County, in consultation with each County facility administration will assign, in accordance with Section 3 of the Agreement, a Facility's Project Manager for each facility to monitor activities, including design, permits, construction and equipment installation activities of this project.
- E. Project Superintendent: Contractor shall assign a project superintendent at each Facility to oversee all construction activities.

SCHEDULE:

Contractor shall provide a project schedule to include timelines for design, jurisdictional approvals, installation of modular buildings and/or renovation, as well as installation of equipment and certification within fifteen (15) days of the approval date of this Agreement. Anticipated timelines are outlined in Attachments B-1, B-2, B-3 & B-4.

GENERAL:

- A. Contractor shall not perform any extra work without first obtaining a signed Change Order in accordance with Section 7 of the Agreement. County and Facilities shall not require Contractor to perform any extra work without receiving a Change Order in accordance with Section 7 of the Agreement authorizing the work.
- B. Contractor shall comply with all DHS-Design/Construction and Maintenance Risk Assessment Policies and Procedures to provide all necessary barricades, dust control and infection control, provided that County has provided copies of such Policies and Procedures to Contractor prior to Contractor's execution of the Agreement.
- C. Contractor shall comply with Facility guidelines (hospital orientations, finger printing, ID badges, Infection Control policies and procedures), provided that County has provided copies of such guidelines to Contractor prior to Contractor's execution of the Agreement.

**EXHIBIT B - STATEMENT OF WORK, PART I
MAGNETIC RESONANCE IMAGING SERVICES**

- D. Contractor shall be responsible for any additional construction requirements that must be met in order to install MRI units, including but not limited to testing, electrical, noise and HVAC related materials and labor.
- E. Contractor shall use good faith efforts to advise the County regarding any issues or matters that the County may not be aware of, which issues or matters could reasonably result in any material Change Orders during design, permitting, construction and installation of the MRI equipment.
- F. Upon final completion of the construction project and before acceptance of work by the County, Contractor shall provide two (2) sets of hard copies and two sets of electronic files for all construction-related documents, including but not limited to OSHPD/DPW approved drawings, OSHPD/DPW documents, as-built drawings, project specifications, AUTO CAD files, inspection records, testing records, Change Orders, shop drawings, safety meeting records, infection control records, and payment records to subcontractors and supplies.
- G. Contractor and Contractor's employees shall be certified/licensed as required by law for the work that they perform. Electricians will be State of California licensed, and Plumbers will be licensed by either the County or the City of Los Angeles.
- H. Contractor shall comply with all applicable provisions of the Labor Code of the State of California. Particulars of the current prevailing wage scale, to the extent applicable to the work contemplated under these specifications, will be posted to the extent required by applicable law at the project site.
- I. Contractor shall comply with all applicable federal, State and local Labor Codes regarding payroll records.
- J. Contractor is and must remain an entity qualified to do business in the State of California.
- K. Contractor shall have the ability to fulfill standard contract requirements, including indemnification and insurance.
- L. Contractor shall adhere to applicable County Human Resources Department and Facility procedures and policies, provided that County has provided copies of such procedures and policies to Contractor prior to Contractor's execution of the Agreement.
- M. Contractor adheres to applicable HIPAA requirements, and Contractor adheres to County information systems department policies and procedures, provided that County has provided copies of such procedures and policies to Contractor prior to Contractor's execution of the Agreement.
- N. Pre-Work Conference: Before the issuance of the first order under the Agreement, a conference will be conducted by the County to acquaint the Contractor and its

**EXHIBIT B - STATEMENT OF WORK, PART I
MAGNETIC RESONANCE IMAGING SERVICES**

Subcontractors with County policies and procedures that are to be observed during the performance of the work and to develop mutual understanding relative to the administration of the Agreement.

- O. Monthly progress meetings will be held between County and Contractor representatives during the planning phase of the project. Once construction is initiated, meetings twice per month are anticipated at each medical center in order to coordinate site activities with County facility staff.

CONFIDENTIAL

LEASE LINE

Exhibit A, Part I, Attachment A-1

HOCK CONSULTING GROUP
 HEALTHCARE ARCHITECTURE & PLANNING
 1550 CAMINO DEL MAR, SUITE 500
 SAN CARLOS, CA 95050
 TEL: 925.954.1400 FAX: 925.954.1102
 PROFESSIONAL SEAL



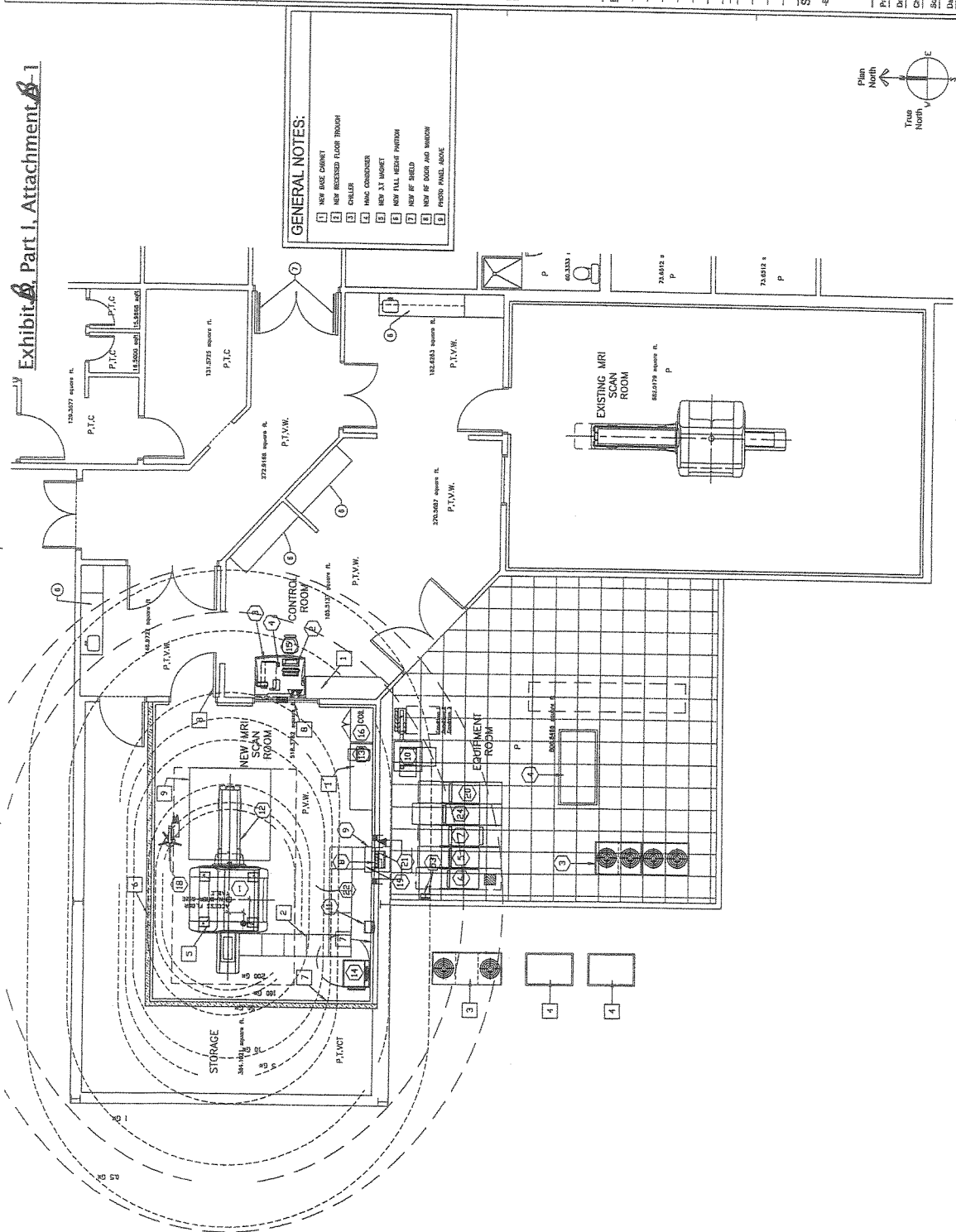
**TENANT IMPROVEMENTS
 AN OUTPATIENT IMAGING CENTER AT:
 HARBOR-UCLA MEDICAL CENTER
 INSIGHT HEALTH CORP.
 21828 S. NORMAN AVE
 TORRANCE, CA 90502**

| REVISIONS | DATE | ISSUE DESCRIPTION |
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| 99 | 07/10/18 | 1.97 |
| 100 | 07/10/18 | 1.98 |
| 101 | 07/10/18 | 1.99 |
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Sheet Title
 -ENLARGED SITE PLAN

Project No.: 07108
 Drawn By: LW
 Checked By: PWI
 Scale: AS NOTED
 Date: 08/04/17

A-2

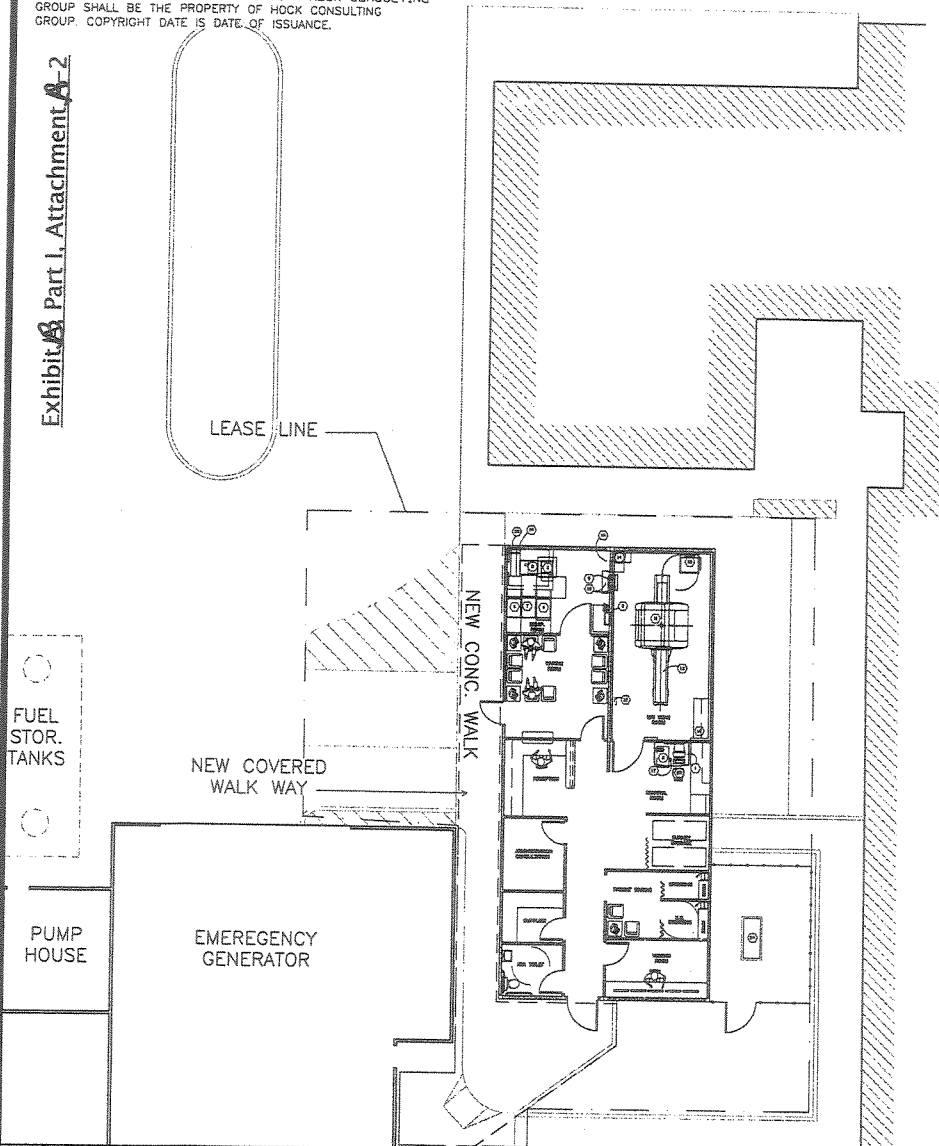


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Exhibit ~~B~~ Part I, Attachment ~~A~~ 2

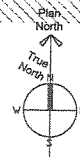


APPROXIMATE LEASE AREA: 4,600 SQ. FT.

GE 1.5T HISPEED MRI

28X60 MODULAR FLOOR PLAN

APPROXIMATE SQUARE FOOTAGE: 1,680



SCALE: 1"=20'-0"

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PROPOSED MODULAR BUILDING FOR:

MLK MACC

INSIGHT HEALTH CORP.

**HOCK
CONSULTING
GROUP**

HEALTHCARE ARCHITECTURE & PLANNING
1125 CAMINO DEL MAR, SUITE E
DEL MAR, CALIFORNIA 92014
PH 858-239-5109 FAX: 858-239-5152

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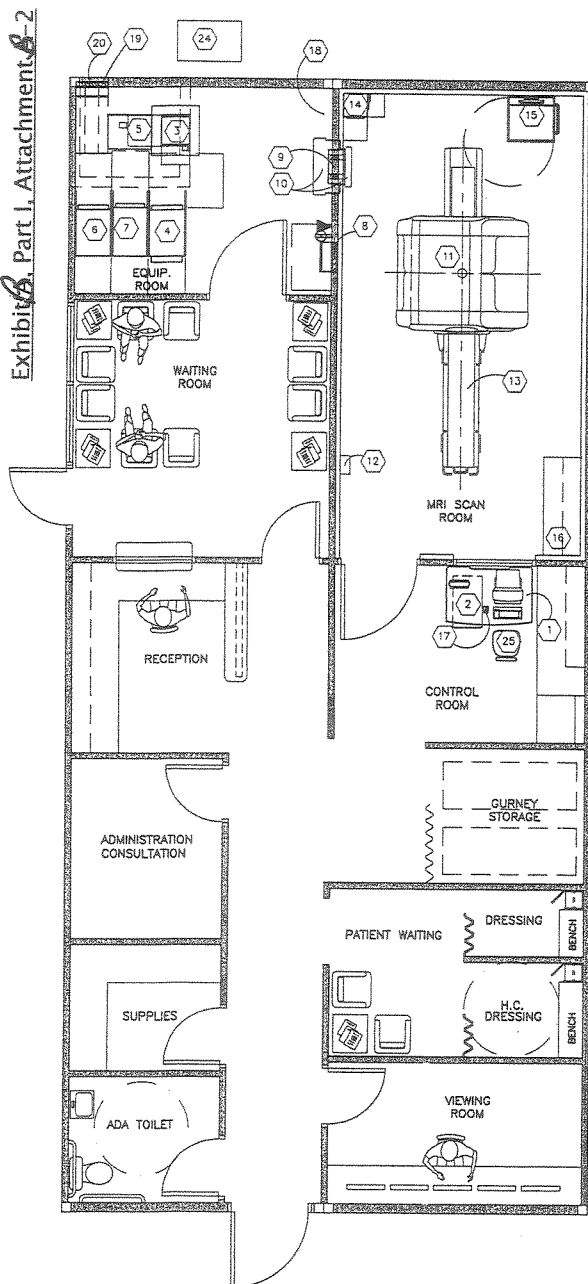
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| COMPONENTS | | QTY |
|------------|---------------------------------------|-----|
| 1 | OPERATOR'S WORK SPACE | 1 |
| 2 | W/ B&W MONITOR | |
| 3 | OPERATOR'S WORK SPACE CABINET | 1 |
| 4 | SHIELD COOLER CABINET | 1 |
| 4 | RF/PENETRATION CABINET | 1 |
| 5 | WATER CHILLER FOR BODY COIL | 1 |
| 6 | SYSTEM CABINET | 1 |
| 7 | SOD HI-SLEW GRADIENT CABINET | 1 |
| 8 | MAGNET MONITOR | 1 |
| 9 | RF PENETRATION PANEL | 1 |
| 10 | PENETRATION PANEL COVER | 1 |
| 11 | 1.5 TESLA LLC ACTIVE SHIELD MAGNET | 1 |
| 12 | MAGNET RUNDOWN UNIT | 1 |
| 13 | PATIENT TRANSPORT TABLE | 1 |
| 14 | BLOWER BOX | 1 |
| 15 | SPT PHANTOM CABINET | 1 |
| 16 | COIL CABINET | 1 |
| 17 | PATIENT ALERT CONTROL BOX | 1 |
| 18 | MAIN DISCONNECT CONTROL | 1 |
| 19 | DC LIGHT CONTROL PANEL | 1 |
| 20 | DC LIGHT AUTO TRANSFORMER | 1 |
| 21 | RF SHIELD DOOR (OPTION) | 1 |
| 22 | RF SHIELD WINDOW (OPTION) | 1 |
| 23 | CONDENSER | 1 |
| 24 | CHILLER | 1 |
| 25 | OPERATOR'S CHAIR | 1 |
| 26 | OPERATOR CONSOLE/COMPUTER | 1 |
| 27 | OPERATOR'S CHAIR | 1 |
| 28 | CT HI-SPEED ADVANTAGE GANTRY | 1 |
| 29 | PATIENT TABLE | 1 |
| 30 | POWER DISTRIBUTION UNIT | 1 |

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Exhibit A, Part I, Attachment B-2



APPROXIMATE SQUARE FOOTAGE: 1,680

SCALE: 1/8"=1'-0"

PROPOSED MODULAR BUILDING FOR:

MLK MACC

INSIGHT HEALTH CORP.

**HOCK
CONSULTING
GROUP**

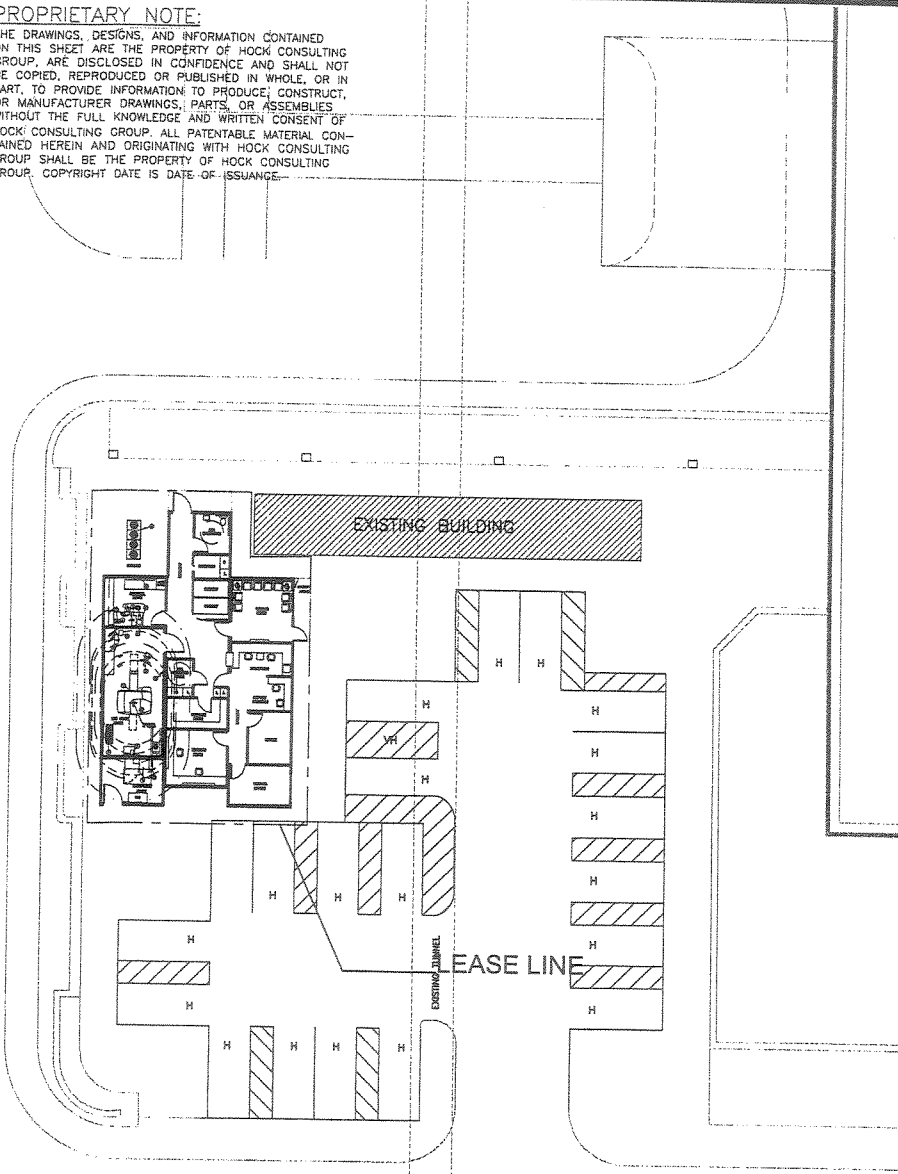
HEALTHCARE ARCHITECTURE & PLANNING
11125 CAMINO DEL MAR, SUITE E
DEL MAR, CALIFORNIA 92014
PH 858-259-5109

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| SHEET |
| BD-5 |

OF SHEETS

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APPROXIMATE LEASE AREA 3,256 SQ. FT.

**IMAGING CENTER SIEMENS AVANTO 1.5T MRI
(2) 14X50 & 14X60 MRI MODULAR FLOOR PLAN**

APPROXIMATE SQUARE FOOTAGE: 2,240

SCALE: 1/32"=1'-0"

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**CUSTOM MODULAR MRI BUILDING AT
OLIVE VIEW / UCLA MEDICAL CENTER**

FOR INSIGHT HEALTH CORP.

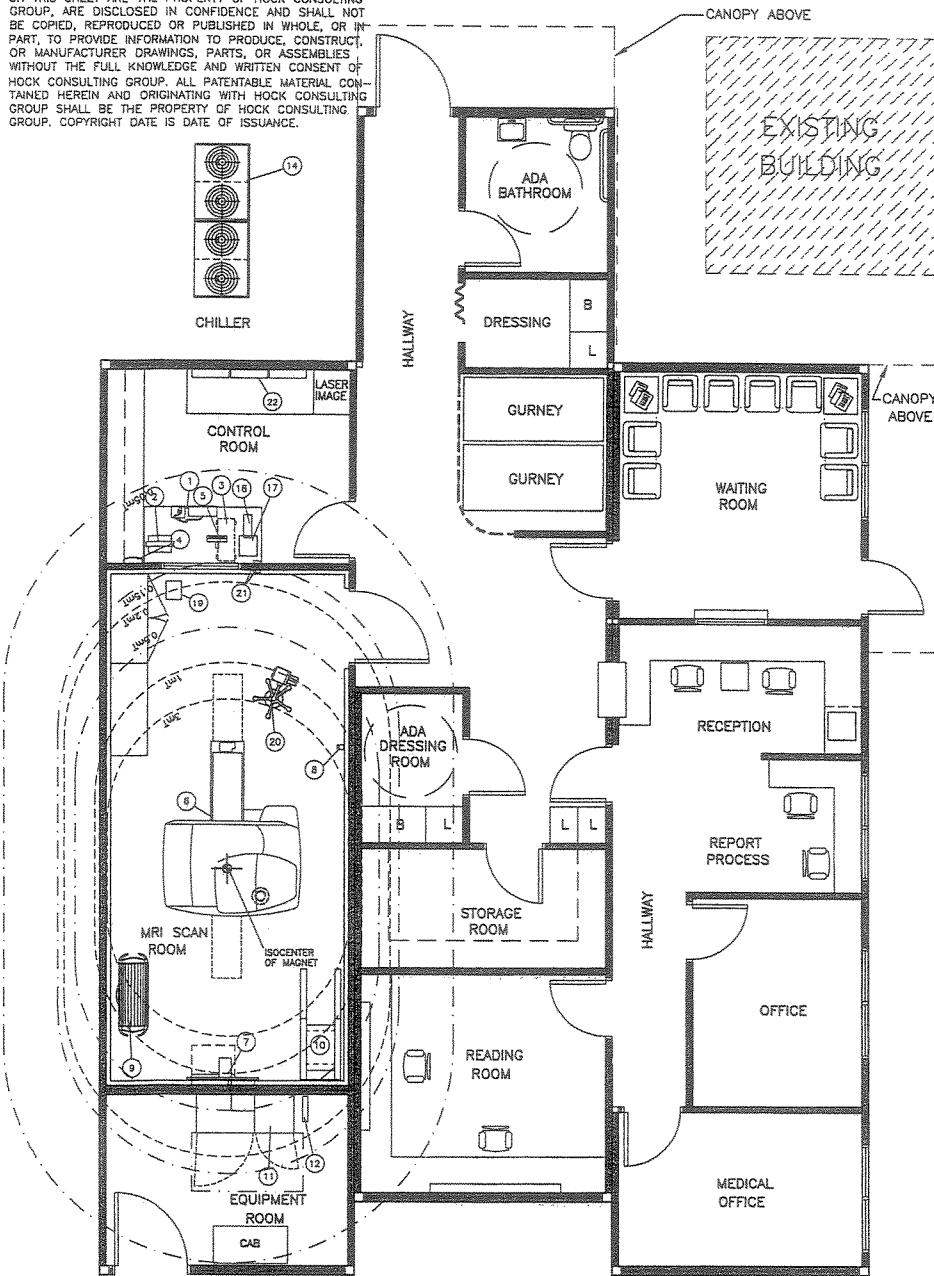
HOCK CONSULTING GROUP
HEALTHCARE ARCHITECTURE & PLANNING
1125 CAMINO DEL MAR, SUITE E
DEL MAR, CALIFORNIA 92014
PH 858-259-5109 FAX: 858-259-5152

DATE
06/23/07
SCALE
AS NOTED
JOB NO.
SHEET
BD-1

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| CHECKED | PWH |
| DATE | 06/23/07 |
| SCALE | AS NOTED |
| JOB NO. | |
| SHEET | BD-1 |
| OF | SHEETS |

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**IMAGING CENTER SIEMENS AVANTO 1.5T MRI
(2) 14X50 & 14X60 MRI MODULAR FLOOR PLAN**

APPROXIMATE SQUARE FOOTAGE: 2,240

SCALE: 1/8"=1'-0"

| REVISIONS | BY |
|-----------|----|
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CUSTOM MODULAR MRI BUILDING AT

OLIVE VIEW / UCLA MEDICAL CENTER

FOR INSIGHT HEALTH CORP.

**HOCK
CONSULTING
GROUP**

HEALTHCARE ARCHITECTURE & PLANNING
1125 CAMINO DEL MAR, SUITE E
DEL MAR, CALIFORNIA 92014
PH 858-259-5109 FAX: 858-259-5152

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| DRAWN | LW |
| CHECKED | PHH |
| DATE | 08/23/07 |
| SCALE | AS NOTED |
| JOB NO. | - |
| SHEET | BD-2 |
| OF | SHEETS |

NEAL TIGHE ARCHITECTURE & PLANNING
1125 CALIANO DEL MAR
DEL MAR, CALIFORNIA
TEL: 658-256-1109 FAX: 658-259-5152
PROFESSIONAL SEAL



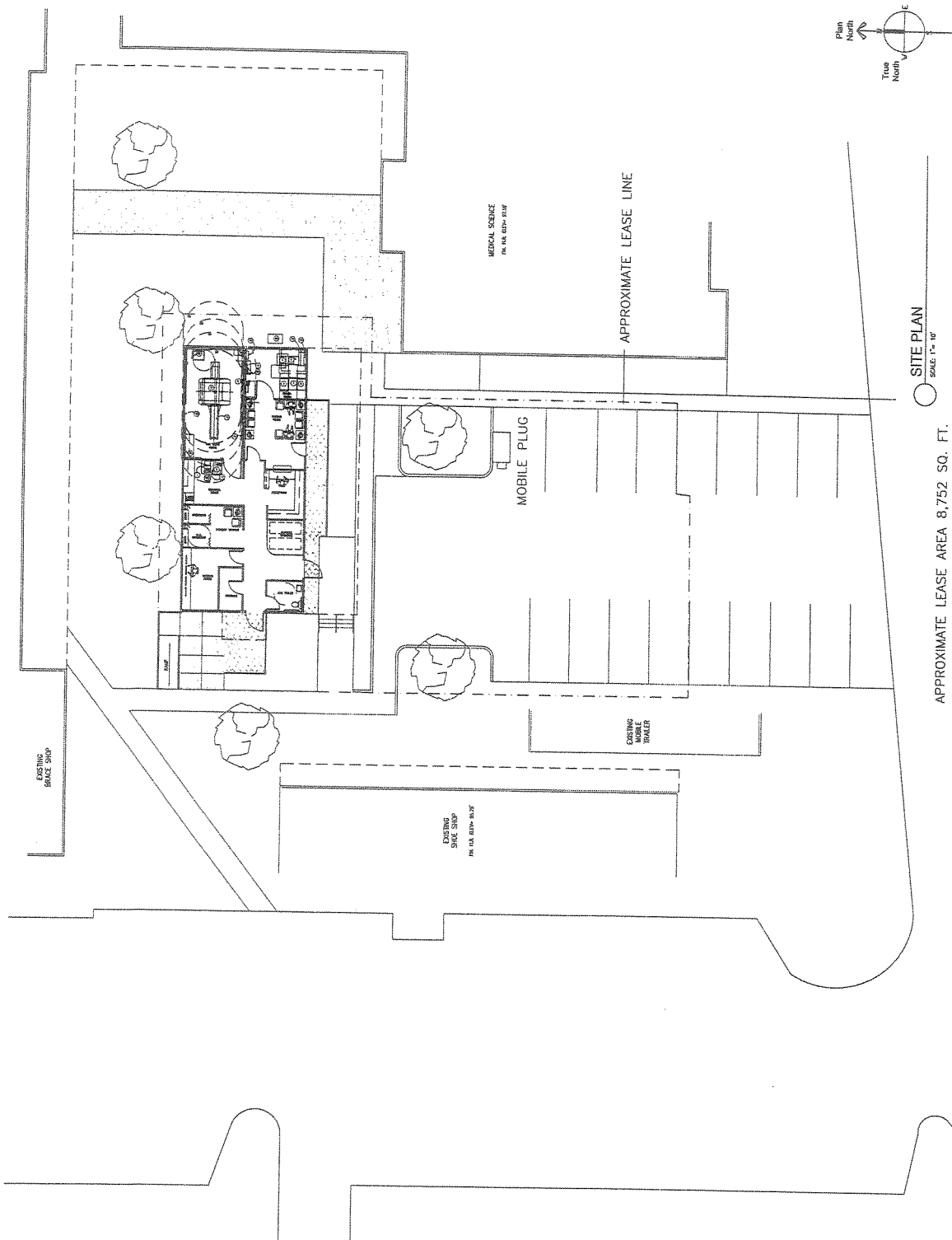
PROPOSED MODULAR BUILDING FOR:
RANCHO LOS AMIGOS M.C.
FOR INSIGHT HEALTH CORP.

[illegible]

| DATE | ISSUE DESCRIPTION |
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Sheet Title
-SITE PLAN

Project No.: 07107
Drawn By: LW
Checked By: PVM
Scale: AS NOTED
Date: 09/19/07

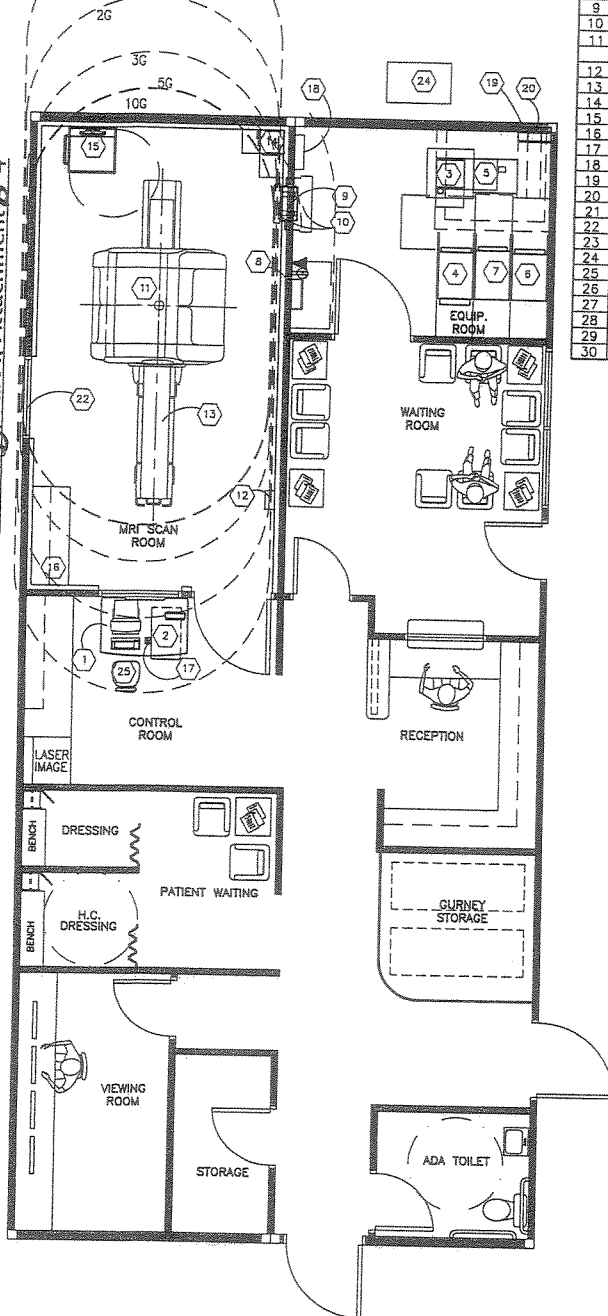
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Exhibit B, Part I, Attachment A-4



| COMPONENTS | | QTY. |
|------------|-------------------------------|------|
| 1 | OPERATOR'S WORK SPACE | 1 |
| 2 | W/ B&W MONITOR | 1 |
| 3 | OPERATOR'S WORK SPACE CABINET | 1 |
| 4 | SHIELD COOLER CABINET | 1 |
| 5 | RF/PENETRATION CABINET | 1 |
| 6 | WATER CHILLER FOR BODY COIL | 1 |
| 7 | SYSTEM CABINET | 1 |
| 8 | SGD HI-SLEW GRADIENT CABINET | 1 |
| 9 | MAGNET MONITOR | 1 |
| 10 | RF PENETRATION PANEL | 1 |
| 11 | PENETRATION PANEL COVER | 1 |
| 12 | 1.5 TESLA LLC ACTIVE | 1 |
| 13 | SHIELD MAGNET | 1 |
| 14 | MAGNET RUNDOWN UNIT | 1 |
| 15 | PATIENT TRANSPORT TABLE | 1 |
| 16 | BLOWER BOX | 1 |
| 17 | SPT PHANTOM CABINET | 1 |
| 18 | COIL CABINET | 1 |
| 19 | PATIENT ALERT CONTROL BOX | 1 |
| 20 | MAIN DISCONNECT CONTROL | 1 |
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| 26 | CHILLER | 1 |
| 27 | OPERATOR'S CHAIR | 1 |
| 28 | OPERATOR CONSOLE/COMPUTER | 1 |
| 29 | OPERATOR'S CHAIR | 1 |
| 30 | CT HI-SPEED ADVANTAGE GANTRY | 1 |
| 31 | PATIENT TABLE | 1 |
| 32 | POWER DISTRIBUTION UNIT | 1 |

RANCHO LOS AMIGOS M.C.

28X60 MODULAR FLOOR PLAN

APPROXIMATE SQUARE FOOTAGE: 1,680

SCALE: 1/8"=1'-0"

HOCK
CONSULTING
GROUP

HEALTHCARE ARCHITECTURE & PLANNING
1125 CAMINO DEL MAR, SUITE E
DEL MAR, CALIFORNIA 92014
PH 658-259-5109

DRAWN
LW
CHECKED
PWH
DATE
09/20/07
SCALE
AS NOTED
JOB NO.
SHEET
BD-1

OF SHEETS

CUSTOM MODULAR MRI BUILDING FOR:

RANCHO LOS AMIGOS M.C.

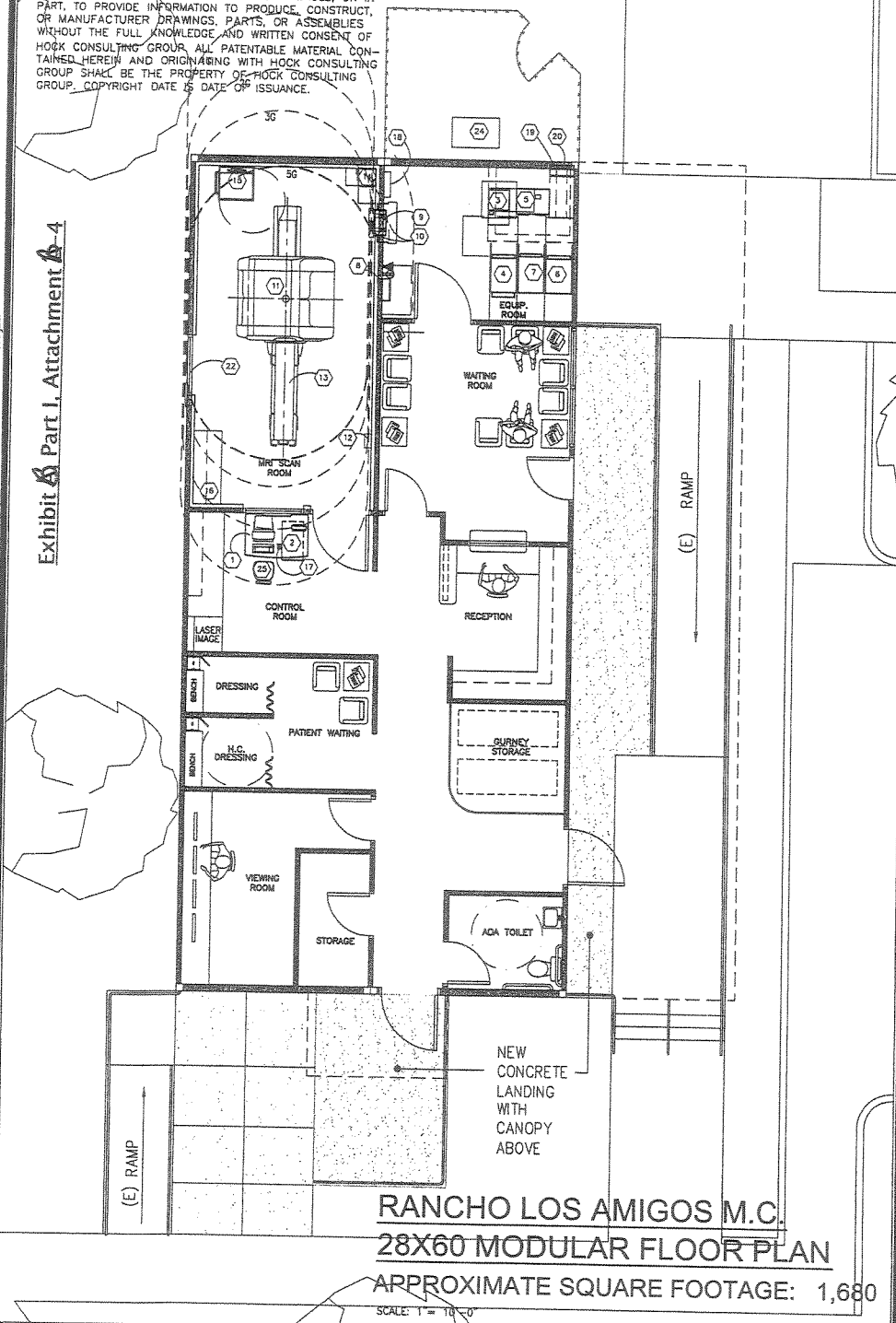
FOR INSIGHT HEALTH CORP.

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Exhibit A Part I, Attachment A-4

PROPRIETARY NOTE:

THE DRAWINGS, DESIGNS, AND INFORMATION CONTAINED ON THIS SHEET ARE THE PROPERTY OF HOCK CONSULTING GROUP. ARE DISCLOSED IN CONFIDENCE AND SHALL NOT BE COPIED, REPRODUCED OR PUBLISHED IN WHOLE, OR IN PART, TO PROVIDE INFORMATION TO PRODUCE, CONSTRUCT, OR MANUFACTURE DRAWINGS, PARTS, OR ASSEMBLIES WITHOUT THE FULL KNOWLEDGE AND WRITTEN CONSENT OF HOCK CONSULTING GROUP. ALL PATENTABLE MATERIAL CONTAINED HEREIN AND ORIGINATING WITH HOCK CONSULTING GROUP SHALL BE THE PROPERTY OF HOCK CONSULTING GROUP. COPYRIGHT DATE IS DATE OF ISSUANCE.



RANCHO LOS AMIGOS M.C.
28X60 MODULAR FLOOR PLAN

APPROXIMATE SQUARE FOOTAGE: 1,680

SCALE: 1" = 10'-0"

REVISIONS BY

CUSTOM MODULAR MRI BUILDING FOR:
RANCHO LOS AMIGOS M.C.
FOR INSIGHT HEALTH CORP.

HOCK
CONSULTING
GROUP

HEALTHCARE ARCHITECTURE & PLANNING
1125 CAMINO DEL MAR, SUITE E
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SHEET
BD-2

OF SHEETS

EXHIBIT B – STATEMENT OF WORK, PART II
MAGNETIC RESONANCE IMAGING SERVICES

PART II: BUSINESS AND OPERATIONS

I. SCOPE OF WORK:

Contractor shall manage the day-to-day operations, patient care and support services at four (4) County Facilities for the provision of MRI Services to County-Responsible and County-Referred patients.

Contractor shall schedule patient's appointments, perform contract-related billing and reconciliation activities, and obtain images for open MRI studies for all four (4) County Facilities; as well as at LAC+USC Medical Center (LAC+USC). Contractor shall ensure that all open MRI Services are available to be performed Monday through Friday, from 9 a.m. to 5 p.m., at a County-approved location.

II. GENERAL CONDITIONS:

- a. The MRI Services provided to patients pursuant to this Agreement shall include the usual and customary care provided by MRI facilities to MRI patients, including without limitation personnel, equipment and supplies.
- b. It is understood and agreed that the MRI Services furnished to County-Responsible patients pursuant to this Agreement shall be provided by appropriately qualified and licensed individuals.

III. RESPONSIBILITIES OF COUNTY:

A. SPECIAL PROCEDURE REFERRALS:

- a. Advance authorization by a County Radiologist is required for special MRI services or procedures.
- b. Authorization for MRI Scans shall be written on a completed patient referral/consultation form which must be signed by a County Radiologist from the Radiology Department. The patient referral form shall include, but not be limited to, the following: patient's diagnosis, copy of appropriate and necessary insurance information, copy of patient's Medi-Cal or Medicare card, if applicable, and copy of the medical record with provision of services.
- c. County will ensure that a licensed Registered Nurse (RN) will be present to perform monitoring as directed by the Department of Radiology and the County Facility procedural conscious sedation policy. Contractor will adopt the County's policy for procedural sedation and documentation of pre-procedure assessment, intra-procedure monitoring and post-procedure recovery on approved County forms.

EXHIBIT B – STATEMENT OF WORK, PART II
MAGNETIC RESONANCE IMAGING SERVICES

B. CONSCIOUS SEDATION:

- a. County Radiologists shall provide procedural/conscious sedation services for patients requiring such services in consultation with the Treating Physician. Conscious sedation will be performed only by a physician privileged by the County Facility medical staff office or certified competent in sedation by their residency program and be Advanced Cardiac Life Support (ACLS) certified.
- b. County Radiologists responsible for services rendered in the MRI Center must have ACLS certification.

C. TRANSPORT ARRANGEMENTS:

County will coordinate with Contractor all inpatient transportation to and from the MRI Center for County-Responsible inpatients. County shall ensure that the patient's medical record and billing information accompany the patient. All transport staff responsible for transporting County-Responsible inpatients to and from the MRI Center shall maintain at the minimum an Emergency Medical Treatment (EMT) certification. All other patients, such as County-Referred, must arrange their own transportation to and from the MRI Center.

IV. CONTRACTOR RESPONSIBILITIES

A. STANDARD OF CARE:

- a. Contractor shall arrange for the supervision and monitoring of MRI Services for County patients pursuant to this Agreement.
- b. Contractor shall be in compliance with the applicable standards of the Joint Commission and with all applicable federal and state statutes, regulations and related requirements, as amended from time to time, which are applicable to Contractor's provision of MRI Services under this Agreement. Contractor shall provide County with evidence of all surveys by accrediting agencies on an annual basis.
- c. Contractor shall document all monitoring of patients in conformance with existing County standards on County approved medical record forms.
- d. County Radiologists will review the diagnosis for County-Responsible patients prior to performing the MRI study.
- e. County has established a Quality Assessment (QA) and Improvement Committee (QI), composed of County employees appointed by Director to review the services contemplated by this Agreement and to assure a standard of care by Contractor and others, which is consistent with the laws of the state and federal

EXHIBIT B – STATEMENT OF WORK, PART II
MAGNETIC RESONANCE IMAGING SERVICES

governments, with County's QA and QI standards, and with the prevailing standards of diagnostic imaging in the community. Contractor shall develop clear performance criteria for MRI Services provided to County-Responsible patients and further agrees to adhere to the applicable standards related to MRI Services. Contractor shall have a written QA and QI Program that describes the program's objectives, organization and mechanisms for overseeing the effectiveness of monitoring, evaluation and problem-solving activities and shall provide a copy of such QA and QI Program to County upon request.

- f. Contractor shall maintain records regarding County-Responsible patients relating to any peer review plans, audit results, problems identified or corrective actions for a period of seven (7) years from the date such records were prepared, and shall make them available upon request for review by County's QA and QI Committee. Contractor agrees to permit review by County's QA and QI committee representatives of Contractor's County-Responsible patient records, if any. Such review shall not extend to records of medical staff committees.
- g. Contractor shall maintain a Cardiopulmonary Resuscitation (CPR) or Crash cart in the MRI Center that is appropriate to the patient population (i.e., adult and pediatric) and conforms to the standards set forth by the County.
- h. Only qualified MRI staff trained in professional standards and techniques shall monitor patients for physiological or adverse effects that would compromise patient safety and shall oversee all treatment or procedures.
- j. County fellows will be Advanced Cardiac Life Support (ACLS) certified and Contractor's MRI technologists shall have and maintain Basic Cardiac Life Support (BCLS) certification. MRI technologists shall also be HCP Basic Life Support (BLS) certified.
- k. Contractor will maintain current Human Resource (HR) files on all employees and contracted staff and shall ensure that all employees and contracted staff comply with all Federal, State and local laws and regulations, applicable to their job description. Moreover, County may, at any time, require proof that any individuals employed by Contractor are in compliance with all Federal, State and local laws and regulations. Accordingly, Contractor shall provide County with all staff certifications and in-service certificates on each Contractor's staff member, upon demand.

B. INFECTION CONTROL:

If Contractor's employee(s) is (are) diagnosed with having an infectious disease, and employee(s) has (have) had contact with a County-Responsible patient during the usual incubation period for infectious disease, Contractor shall report such occurrence(s) to

EXHIBIT B – STATEMENT OF WORK, PART II
MAGNETIC RESONANCE IMAGING SERVICES

County Facility's Employee Health and Infection Control Department within 48 hours of notification to Contractor.

If a County-Responsible patient is diagnosed with having an infectious disease, and has had contact with Contractor's employee(s) during the usual incubation period for such infectious disease, County shall report such occurrence(s) to Contractor.

For purposes of this Agreement, the infectious diseases reportable hereunder are those listed in the Public Health List of Reportable Diseases.

C. **PHYSICAL EXAMINATION:**

Contractor shall ensure that each person who performs MRI Services under this Agreement is examined by a physician or other appropriate medical practitioner authorized to provide such examinations, on an annual or biannual basis, as required by The Joint Commission and Section 70723, Title 22, California Code of Regulations, and shall provide County, upon request, with written certification that each person is free of infectious disease(s).

D. **EMERGENCY MEDICAL TREATMENT:**

County-Responsible patients being provided with MRI Services may require emergency medical care for physical illness or accident while at the MRI Center. Contractor agrees to notify County of the emergency and the actions taken in accordance with the following procedures:

- a. As soon as possible following the onset of illness or accident or within two (2) hours of stabilization, Contractor shall contact the Treating Physician and the ED, and call and submit to the Department of Radiology the following information:
 1. Name of Contractor;
 2. Name of patient, medical record number, location of the patient;
 3. Complete description of the medical emergency;
- b. Contractor shall submit a written report to County's Risk Manager within five (5) working days of the incident or accident.

EXHIBIT B – STATEMENT OF WORK, PART II
MAGNETIC RESONANCE IMAGING SERVICES

V. TASK AND DELIVERABLES:

TASK 1 - BUSINESS AND OPERATIONS

Subtask 1.1 –MRI Center Staff Operations and Coverage:

Each MRI Center shall be open to provide MRI Services for at least eight (8) hours per day coverage, from five (5) to seven (7) days a week, as provided below. It is understood, however, that Contractor Project Director and County Global Project Director may mutually agree in writing to a change in the hours and/or the days of operation of any County Facility, so long as the change does not result in a decrease in the hours or days of operation below the minimums set forth above, subject to the County Global Project Director's prior consultation with County Counsel.

| Facility | Hours of Operation | Days of Operation |
|--------------------|---------------------------|--------------------------------------|
| (Harbor) HUMC | 7:00 am to 7:00 pm | Monday through Friday (with On-call) |
| (King) KING-HARBOR | 8:00 am to 8:00 pm | Monday through Friday (with On-call) |
| (Olive View) OVMC | 7:00 am to 12:00(am) | Monday through Friday (with On-call) |
| (Rancho) RLANRC | 7:30 am to 4:30 pm | Monday through Friday (with On-call) |

Contractor shall provide additional After Hours Coverage, as defined below, for emergent patient care services, including without limitations, additional hours as needed, upon mutual consent of County and Contractor.

After Hours Coverage

Shall be defined as coverage for emergent medical services during the hours of operation that a County Facility is normally closed for business or outside the posted hours of operation at a Facility, including weeknights, weekends and County holidays, in which the Contractor's staff is called back to perform emergency MRI Services. Contractor's staff should be at the specific County Facility within 30 minutes of the County's call to Contractor's Project Manager. After Hours coverage shall be billed in accordance with the billing provisions set forth in Exhibit C.

County Holidays:

County Holidays shall be defined as: January 1, Memorial Day, July 4, Thanksgiving Day, and December 25, only. After Hours rates shall apply should County require Contractors services during a County Holiday, as defined above.

Authorization for After Hours MRI Services:

EXHIBIT B – STATEMENT OF WORK, PART II
MAGNETIC RESONANCE IMAGING SERVICES

The County Radiologist or Treating Physician will be responsible for authorizing and determining if After Hours MRI Services are required for a County-Referred patient.

Subtask 1.2 – SCHEDULE PATIENT STUDIES:

Contractor's Project Manager and staff shall be responsible for scheduling all County-Referred patient appointments, including off-site open MRI Services. All off-site open MRI Services must be approved in writing by the Treating Physician or County Radiologist before the open MRI service is scheduled.

In scheduling patients, Contractor agrees to give preference to patients in the following order: 1.) County-Responsible patients; 2.) County-Referred patients; and 3.) non-County-Referred patients.

All appointments, for both regular MRI Services or open MRI Services, will be scheduled into the QuadraMed Affinity scheduling module at each County Facility and via HL7 the information will be transmitted back to the Contractor's RIS/PACS system. Contractor shall maintain an electronic backup of all County Responsible patient records for County review, for the timeframe specified in Exhibit B, Part III.

Subtask 1.3 – Monthly Project Status and Operation Reports:

Contractor shall prepare and provide Monthly Project Status and Operation Reports to County's Global Project Manager in the format provided in Attachment A (Monthly Project Status) and Attachment B (Monthly Operation Reports). Monthly Reports will include the following items:

A. Operation Reports:

Monthly reports shall include information on total MRI Services for County-Responsible patients performed, studies billed, revenue generated and funds disbursed, scheduling backlogs, report/results turnaround, and Treating Physician and patient satisfaction surveys, as applicable. Financial reports shall include details of amounts billed to County, collected, aging of accounts, receivables, bad debt, monthly, quarterly and annually. Statistical reports shall include detailed information about the number of open MRI Services and MRI Services performed, including the use of anesthesia, monthly, quarterly, fiscal year and annually for each Facility. County-Referred, County-Responsible and California Child Services (CCS) patients seen at each County Facility should be subdivided by each report.

B. Storage of Records: Contractor shall be responsible for the storage of records for 60 days. County shall be responsible for the storage of all records for County-Referred patients in accordance with the California Health and Safety Code, and any other applicable federal, state, or local laws and regulations.

EXHIBIT B – STATEMENT OF WORK, PART II
MAGNETIC RESONANCE IMAGING SERVICES
**TASK 2 - RISK MANAGEMENT – QUALITY ASSURANCE AND QUALITY
IMPROVEMENT**

Subtask 2.1 – Risk Management Program:

For each County Facility, Contractor shall, in association with County, develop and maintain an equipment risk management program. Contractor shall provide written documentation of any MRI Scanner that has been involved in a medical incident, e.g., any mechanical problem/failure which involves injury to a County-Responsible patient. Such documentation shall describe the incident, describe the MRI Scanner involved in the incident, and shall describe any inspection performed by Contractor on such MRI Scanner as a result of an incident. Contractor will maintain a report and provide relevant information to County's Global Project Manager, which will report any medical incidents or MRI Scanner malfunction to Hospital Risk Management office.

PATIENT CARE SERVICES AND CLINIC OPERATIONS

TASK 3 – DAY-TO-DAY IMAGING SERVICE OPERATIONS

Contractor's Project Manager shall be responsible for all day-to-day operations of the MRI Centers and the provision of MRI Services at four (4) County Facilities. Coordination of County activities related to MRI Services will be the responsibility of County and Department of Radiology.

Task 3.1 – County Radiologist Notification:

Contractor's staff shall consult with the County Radiologist to determine the appropriateness and recommend technical protocol for the provision of MRI Services to County-Referred patients.

Contractor shall prepare MRI images of County-Referred patients for presentation to the County Radiologist for interpretation, dictation and signature of reports.

To the extent that Contractor enters into arrangements with County Radiologists to provide professional services to patients who are Non-County-Referred Patients in accordance with Exhibit C, Section II(3), Contractor shall discuss in good faith with County the implementation of processes pursuant to which the electronic MRI images of non-County-Referred Patients are transmitted and presented to the County Radiologists for evaluation and interpretation during times when the County Radiologists are not being compensated by the County.

Subtask 3.2 – Open MRI Services:

Open MRI studies shall be made available to patients with large physiques (morbidly obese), those susceptible to claustrophobia, children and the elderly, or at the discretion of the County Radiologist or Treating Physician.

EXHIBIT B – STATEMENT OF WORK, PART II
MAGNETIC RESONANCE IMAGING SERVICES

County shall provide Contractor with a written notice of the Treating Physician's order or prescription for open MRI Services. A County Radiologist must approve in writing all off-site open MRI Services prior to Contractor arranging the patient's appointment.

For County-Responsible patients, Contractor shall provide County Radiologist with the MRI image and the County Radiologist shall provide the reading and interpretation of the MRI image. Contractor shall provide requesting County Radiologist and County Facility with copies of the MRI images via compact disk (CD) in a format compatible with Fuji Radiology PACS within two (2) hours of the MRI scan for County-Responsible inpatients and within six (6) hours for County-Responsible outpatients. Contractor will provide all open MRI Services Monday through Friday, from 9 a.m. to 5 p.m. and in accordance with Contractor's policies and procedures.

County shall coordinate the transportation of County-Responsible inpatients as identified by County for transport, in both the reclined and seated positions, to and from the MRI Centers. Transport vehicle must be American Disability Act (ADA) approved and insured per state transportation codes. Transport team or courier shall be responsible for carrying CD and/or film to the County Facilities.

TASK 4.0 - BILLING ACTIVITIES

Contractor shall be responsible for the billing activities as provided in Exhibit ~~H~~C, Price and Payments

EMERGENCY MOBILE MRI EQUIPMENT SERVICES

TASK 5 – MOBILE MRI SERVICES

Task 5.1 – Delivery of Mobile MRI Scanner: In the event that Contractor must utilize a mobile MRI Scanner to provide the MRI Services under this Agreement, the County's Global Project Director must approve installation of the mobile MRI Scanner before the Contractor delivers the mobile MRI Scanner. Contractor shall deliver a mobile MRI Scanner to a County Facility as described below:

- 1) During the construction and remodel phase, the new MRI Scanner shall be tested during the installation, implementation and System testing phases at each County Facility. Any required mobile MRI Scanner will remain in place until the County Global Project Director has approved in writing the acceptance of the new MRI Scanner.
- 2) Any required mobile MRI Scanner shall remain in place so long as the System installation, implementation and testing have not been approved by County's Global Project Manager.
- 3) Contractor shall provide a mobile MRI Scanner as required by Exhibit D (Maintenance and Support).

EXHIBIT B – STATEMENT OF WORK, PART II
MAGNETIC RESONANCE IMAGING SERVICES

Subtask 5.2 – Removal of Patient Data from Mobile MRI Scanner:

In accordance with applicable federal and state compliance laws, Contractor shall remove all identifiable patient medical information from the mobile MRI Scanners before the Scanner departs each County Facility. Verification of the removal shall be provided to the County's Global Project Manager.

Subtask 5.3 – Help Desk:

For each County Facility, Contractor shall provide County with a problem reporting mechanism available for 24/7 via direct voice, after-hours voice, or web-based self-service.

EXHIBIT B, PART II, ATTACHMENT B-1

MRI PAYMENT CHART
TECHNICAL SERVICES

| PAYOR STATUS | OUTPATIENT | INPATIENT |
|---------------------|---|--|
| Indigent | County pays Contractor | County pays Contractor |
| Medi-Cal | Contractor bills Medi-Cal directly | County pays Contractor; County bills Medi-Cal |
| Third Party | Contractor bills Insurance directly | County pays Contractor; County bills Insurance |
| Medicare | Contractor bills Medicare under its own provider number | County pays Contractor; County bills Medicare |
| CHP | County pays Contractor | County pays Contractor |

PROFESSIONAL/PHYSICIAN SERVICES

| PAYOR STATUS | OUTPATIENT | INPATIENT |
|---------------------|--|--|
| Indigent | County provides professional services – No billing | County provides professional services – No billing |
| Medi-Cal | Contractor provides – Contractor or Physician bills Medi-Cal | County provides professional services and bills Medi-Cal |
| Third Party | Contractor provides – Contractor or Physican bills | Contractor provides – Contractor or Physican bills |
| Medicare | Contractor provides – Contractor or Physician bills | County provides – Physician group bills |
| CHP | County provides professional services – No billing | County provides professional services – No billing |

EXHIBIT B, PART II, ATTACHMENT B-2
COUNTY FACILITIES

The County of Los Angeles contracted Magnetic Resonance Imaging Centers are located at the following facilities:

- Olive View-UCLA Medical Center
 - 14445 Olive View Drive, Sylmar, CA 91342
 - Ramesh Verma, M.D., Chairman of Radiology
- Harbor-UCLA Medical Center
 - 1000 W. Carson St., Torrance, CA 90502
 - Mark Mehringer, M.D., Chairman of Radiology
- Rancho Los Amigos National Rehabilitation Center
 - 7601 E. Imperial Hwy., Downey 90242
 - Charles Stewart, M.D., Chairman of Radiology
- Martin Luther King Jr. Multi-Service Ambulatory Care Center
 - 12021 S. Wilmington Ave., Los Angeles 90059
 - Vaughn Payne, M.D., Chairman of Radiology

Open MRI Centers for County Patients

InSight Imaging- San Fernando Valley MRI

M - F 7:00 am – 8:00 pm
Sat 8:00 am – 5:00 pm
6855 Noble Avenue
Van Nuys, CA 91405
818-901-0115

Downey Open MRI

M – F 7:00 am to 9:00 pm
Sat 7:00 am to 7:30 pm
Sun 7:00 am to 7:30 pm
8515 E. Florence Ave, Ste 100
Downey, CA 90240
562-904-1340

Montebello Open MRI

(Will not accept isolation patients)

M-F 8:00 am to 5:00 pm
1918 W. Beverly Blvd.
Montebello, CA 90640
323-838-6800

(Of note they will stay open as late as 9:30 pm to accommodate a patient.)

MRI CENTERS

M – F 7 am – 7 pm
23441 Madison Street, Suite 100
Torrance, CA 90505
(310)373-0000

Bay Harbor MRI, Inc.

M –F 7 am – 10 pm
Saturdays-Occasional as needed
1403 W. Lomita Blvd., Ste 107
Harbor City, CA 90710
(310)325-9901

STATEMENT OF WORK – INFORMATION TECHNOLOGY

TASKS AND DELIVERABLES

TASK 1 - PROJECT MANAGEMENT

Contractor shall provide overall project management to County using approaches and methodologies agreed to by both parties and approved in writing by County.

SUBTASK 1.1 – PROVIDE SYSTEM IMPLEMENTATION PLAN

For each County Facility, Contractor shall provide to County's Project Manager for review and approval a System Implementation Plan based on the Business Requirements and other County requirements set forth in this Agreement. Contractor, based on input and comments from County, shall modify the System Implementation Plan to provide for the project implementation of the System as described in this Exhibit. Contractor shall provide to County an approved System Implementation Plan (Exhibit C, System Implementation Plan) in a mutually agreed upon electronic format using Microsoft Project 2003.

The System Implementation Plan shall include, but not be limited to, the following:

- A. A list of tasks and subtasks with start and end dates, and associated deliverables for System Implementation, as described in Exhibit C (System Implementation Plan).
- B. Job titles and names of County and Contractor personnel required to complete each Task/Deliverable, as described in Paragraphs 3 (Administration of Agreement – County) and 4 (Administration of Agreement – Contractor) of the Base Agreement.
- C. Progress reporting for each task, subtask, and associated deliverable.
- D. Project will adhere to all HIPAA regulations per Paragraph 48 (Contractor's Obligation as a Business Associate under the Health Insurance Portability and Accountability Act of 1996) of the Additional Terms and Conditions.

The following major Tasks (each referred to hereinafter as Project Plan) shall be addressed in the System Implementation Plan, as described in Exhibit C, System Implementation Plan:

- Task 1 – Project Management
- Task 2 – System Implementation
- Task 3 – Test Plan(s)
- Task 4 – Acceptance Tests
- Task 5 – Production Environment
- Task 6 – Final Acceptance

Upon completion and approval of the System Implementation Plan by County's Project Manager, Exhibit C, System Implementation Plan shall be developed and updated to reflect the relevant information in each Project Plan.

DELIVERABLE 1.1 – SYSTEM IMPLEMENTATION PLAN AND PROJECT PLAN

For each County Facility, Contractor shall provide to County a System Implementation and Project Plan pursuant to Subtask 1.1 (Provide System Implementation Plan).

SUBTASK 1.2 – PREPARE STATUS REPORTS AND CONDUCT MEETINGS

For each County Facility, in coordination with the County's Project Manager, Contractor's Project Manager shall provide full project management and control of project activities for the System Implementation Plan. This task shall include, but not be limited to:

- (A) Planning and direction;
- (B) Status reporting;
- (C) Incorporation of County's business, security and technical requirements as set forth in Business Requirements;
- (D) As agreed upon, incorporation of required software modifications;
- (E) Management and tracking of all issues and their resolution;
- (F) Management of software change control process.

Contractor's Project Manager and County's Project Manager(s), as described in body of the Agreement, shall provide County with project status reports ("Project Status Reports") on a regular basis for each County Facility and shall participate in regular status meetings. The project status reports shall include, but not be limited to, the following for each County Facility:

- (A) Updated System Implementation Plan;
- (B) Status Reports and Meetings;
- (C) Project / Steering Committee Reports and Meetings;
- (D) Ongoing Issues Report.

As part of project management, County and Contractor shall ensure that each County Facility realizes the maximum benefit from the System provided by Contractor. The Project Status Reports prepared by Contractor's Project Manager pursuant to this Subtask 1.2 shall be used as the mechanism for Contractor to report any project risks or problems identified as part of the quality assurance process.

DELIVERABLE 1.2 – STATUS REPORTS AND CONFERENCES

For each County Facility, Contractor's Project Manager shall prepare and present to County's Project Manager and the applicable County Project Manager(s) a written Project Status Report documenting project progress, plans and outstanding issues.

Contractor's Project Manager shall meet with the County's Project Managers on a bi-monthly basis or at such other frequency as mutually agreed to by the parties to review the Project Status Reports and any related matters. All variances shall be presented for approval at the status conference. The first Project Status Report shall be presented to the County's Project Manager(s) within thirty (30) calendar days following the Effective Date, in a format approved by the County.

TASK 2 – SYSTEM IMPLEMENTATION

SUBTASK 2.1 – PROVIDE COMMUNICATION REQUIREMENTS

Contractor shall provide the minimum requirements for communication between the MRI System and the County System ("Communication Requirements"), which shall be documented in Exhibit A, Part III, Attachment A.1 (System Requirements), Section III (Communication Requirements).

Contractor shall perform a site visit to each County Facility to verify that applicable Communication Requirements meet the specifications as set forth in such Section III (Communication Requirements) of Exhibit A, Part III, Attachment A.1 (System Requirements). Contractor will notify County's Project Manager in writing of any site defects, which will be corrected by County.

DELIVERABLE 2.1 COMMUNICATION REQUIREMENTS

For each County Facility, Contractor shall provide to County, in writing, the minimum Communication Requirements in accordance with Subtask 2.1 (Provide Communication Requirements).

SUBTASK 2.2 – INSTALL MRI SYSTEM

For each County Facility, Contractor shall provide, deliver and install the MRI System in accordance with the approved System Implementation Plan.

- A. Contractor shall deliver to each County Facility the MRI System.
- B. Contractor shall furnish and install MRI Equipment and MRI Local Storage as necessary to support the modalities and workstations for each County Facility in accordance with the approved System Implementation Plan.
- C. Contractor shall provide all data communication equipment necessary to support system infrastructure (data lines, data jacks, routers, switches, etc.) within each MRI Center, as further described in Exhibit A, Part I, Construction attached hereto.

DELIVERABLE 2.2 – INSTALLED MRI SYSTEM

For each County Facility, Contractor shall provide to County's Project Manager a written report documenting the successful installation of MRI System in accordance with Subtask 2.2 (Install MRI System).

SUBTASK 2.3 – INSTALL INTERFACES

For each County Facility, Contractor shall:

- A. Develop and install a turnkey HL7 interface between Contractor System (IRIS) and County Interface engine (E-Gate), as listed in Section II (Interface Requirements) of Exhibit A, Part III, Attachment A-1 (System Requirements), in accordance with the County approved Interface Plan, as specified in Exhibit C, System Implementation Plan. These core and supplemental Interfaces will retain compatibility with the County's Interfaced System(s).
- B. Work with DHS designated integration staff to verify that each HL7 Message is produced and mapped to the County approved Interface Plan and verify that each HL7 Message Type is received, correctly processed, and acknowledged when each such message is transmitted in the documented format from County's DHS Standard Interface engine in accordance with the Specifications.
- C. Work with DHS designated integration staff to verify that each dictionary, profile and parameter is set up in accordance with County approved Interface plan. This verification process shall ensure that each dictionary, profile and parameter is uploaded, received, correctly processed, and acknowledged when each such dictionary, profile and parameter is transmitted in the documented format from County Interface engine in accordance with Specifications.
- D. DHS designated integration staff will be responsible for any County applications and data base changes necessary to successfully implement the Interface plan as described in Exhibit C, System Implementation Plan.

DELIVERABLE 2.3 – INSTALLED INTERFACES

For each County Facility, Contractor shall certify readiness of, and, if applicable, instruct on the use of each Interface developed and installed under Subtask 2.3 (Install Interfaces) in accordance with the County approved Interface Plan as specified in Exhibit C, System Implementation Plan.

SUBTASK 2.4 – IMPLEMENT SYSTEM

For each County Facility, Contractor shall implement the System including any software installation to meet the Security Requirements, link all System components set forth in Exhibit A, Part III, Attachment A-1, Section II (System Requirements) in accordance with the approved System Implementation Plan.

DELIVERABLE 2.4 – IMPLEMENTED SYSTEM

For each County Facility, Contractor shall provide to County's Project Manager a written report documenting the successful implementation of the System in accordance with Subtask 2.4 (Implement System).

TASK 3 – TEST PLAN(S)

For each County Facility, Contractor shall develop a test plan (Test Plan) for each of the following tests:

- Reliability Test
- Data Transfer Test
- Functional Test

SUBTASK 3.1 – DEVELOP TEST PLAN

The Test Plan shall include, at a minimum:

- A. A description of the test domain;
- B. A plan for loading test data;
- C. A plan, developed in collaboration with County staff, for connection of Interfaces to production feeds and/or test feeds;
- D. Personnel required for testing;
- E. Test scenarios covering HL7 interface transactions and County Facility specific workflows;
- F. Test cases for identified test scenarios;
- G. Contractor's standard functional testing;
- H. The schedule for testing;
- I. Test results documentation methods, including any forms or software applications, that will be used; and
- J. Methods for retesting after correction of any identified Deficiencies.

DELIVERABLE 3.1 – TEST PLAN(S)

Contractor shall complete and deliver to County for County's written approval a Test Plan for Reliability Test, Data Transfer Test and Functional Test developed in accordance with the

Specifications and Business Requirements under Subtask 3.1 (Develop Test Plan) as specified in Exhibit A, Part III, Attachment 4-2 (Test Plan Template).

TASK 4 – ACCEPTANCE TESTS

For each County Facility, Contractor in coordination with County shall perform an Acceptance Test according to the Test Plan developed by Contractor under Task 3 (Test Plans) and specified in the System Implementation Plan. County's approval will be required before any Acceptance Test is deemed complete.

All test cycles under this Task 4 shall be done in a Test Environment, which will simulate the Production Environment, and repeated, as necessary, to achieve the required results.

SUBTASK 4.1 – CONDUCT RELIABILITY TEST

For each County Facility, Contractor shall perform the Reliability Test to verify that the system is properly installed and set up as agreed upon by both parties.

DELIVERABLE 4.1 – RELIABILITY TEST

For each County Facility, Contractor shall provide to County documented results of successfully conducted Reliability Test in accordance with Subtask 4.1 (Conduct Reliability Test) and confirm that all relevant Deficiencies have been corrected.

County designated integration staff at each County Facility in coordination with Contractor shall perform the Reliability Test of each System at each County Facility to verify that each System is reliable and can support a successful implementation of this project.

SUBTASK 4.2 – CONDUCT DATA TRANSFER TEST

For each County Facility, Contractor shall perform the Data Transfer Test as described in Exhibit A, Part III, Attachment A4.1 to verify correct HL7 data message delivery to Interface engine (E-Gate) per data element map specified in Exhibit C, System Implementation Plan. DHS Enterprise Application Integration staff will validate that data was transferred to all County Systems. Contractor will perform the Data Transfer Test to verify correct HL7 data message delivery to the Contractor System.

DELIVERABLE 4.2 – DATA TRANSFER TEST

For each County Facility, Contractor shall provide to County documented results of successfully completed Data Transfer Test. County shall, within ten (10) days of receipt of the documented successful results of the Data Transfer Test from Contractor, notify Contractor of whether it has successfully completed Data Transfer Test for data sent to/received from Contractor. County shall assist Contractor personnel with the Data Transfer Test by confirming and documenting that each HL7 message data was transferred to all County Systems successfully.

SUBTASK 4.3 – CONDUCT FUNCTIONAL TEST

For each County Facility, Contractor in coordination with County will perform the Functional Test in accordance with the Test Plan developed under Subtask 3.1 (Develop Test Plan), to verify that the System performs in accordance with the Specifications set forth in Attachment A-1 (System Requirements) to exhibit A.

The Functional Test shall end when relevant Deficiencies have been resolved and the results of successful completion of the Functional Test are documented.

DHS designated staff shall perform the Functional Test of all County Systems to verify the County Systems function properly and can support the successful implementation of this Project.

DELIVERABLE 4.3 – FUNCTIONAL TEST

For each County Facility, Contractor shall provide to County documented results of successfully completed Functional Test in accordance with Subtask 4.3 (Conduct Functional Test).

TASK 5 – PRODUCTION ENVIRONMENT

SUBTASK 5.1 – ESTABLISH PRODUCTION ENVIRONMENT

For each County Facility, which has passed all three (3) Acceptance Tests in the Test Environment, Contractor and County shall create a Production Environment, which shall match the criteria of the Test Environment.

Contractor and County jointly will verify the setup of the Production Environment by conducting each of the three (3) Acceptance Tests set forth in Task 4 (Acceptance Tests) in the Production Environment.

DELIVERABLE 5.1 – PRODUCTION ENVIRONMENT

For each County Facility, Contractor shall provide setup documentation of the Production Environment and provide to County documented results of successfully completing all three (3) Acceptance Tests in the Production Environment, including correcting Deficiencies, in accordance with Subtask 5.1 (Establish Production Environment).

For detailed Security Requirements refer to Exhibit A, Part III, Attachment A-1, System Requirements, Section I.

TASK 6 – FINAL ACCEPTANCE

SUBTASK 6.1 – MAINTAIN NON-DEFICIENT SYSTEM PRODUCTION USE

Contractor shall maintain the System in Production Use with no Deficiencies, as determined in the sole judgment of County's Project Manager, for forty-five (45) consecutive days after

establishing Production Environment. Upon occurrence of a Deficiency, Contractor shall correct such Deficiency and restart the forty-five (45) consecutive day cycle. The System shall achieve Final Acceptance upon completion of a complete Deficiency-free forty-five (45) consecutive day cycle.

DELIVERABLE 6.1 – NON-DEFICIENT SYSTEM PRODUCTION USE

Contractor will request from County documented results of a Deficiency-free forty-five (45) consecutive days System run pursuant to Subtask 6.1 (Maintain Non-Deficient System Production Use) and shall certify in writing that the System has achieved Final Acceptance as a result and ready for Go-Live.

EXHIBIT B, PART III, ATTACHMENT B-1 – SYSTEM REQUIREMENTS

I. SECURITY REQUIREMENTS

The MRI System provided by Contractor under the Agreement shall, during the term of the Agreement, meet the Security Requirements set forth in this Attachment below.

A. Security Software Configuration

County shall provide and install County's standard security software for host intrusion protection, antivirus protection, patch management and other required security software according to County's current standards. Contractor shall assist County in configuration of the software by providing documentation of services and ports required by the Application and Third-Party Software and by assisting County Staff in troubleshooting as needed to ensure the security software does not interfere with the proper functioning of the Application Software.

County shall verify that the County security software installation does not interfere with the proper functioning of the Application Software by conducting Contractor's standard software acceptance test on each Application Software module. If any problems are found in the testing, Contractor will assist County in identifying the configuration changes required to resolve the problem.

II. INTERFACE REQUIREMENTS

The MRI System provided by Contractor under the Agreement shall, during the term of the Agreement, meet the following Interface Requirements.

- A. HL7
- B. DICOM
- C. Modalities

A. HUMC – Project Start Date: TBD

| TYPE | NAME OF INTERFACE | UNIDIRECTIONAL | BIDIRECTIONAL |
|----------|--|----------------|---------------|
| HL7 | ORM and ORU - Per accepted SOW & HL7 data element specification. | | Yes |
| DICOM | Storage Class Provider | Yes | |
| DICOM | Storage Class User | Yes | |
| Modality | DICOM Modality Worklist | Yes | |

B. MLK – Project Start Date: TBD

| TYPE | NAME OF INTERFACE | UNIDIRECTIONAL | BIDIRECTIONAL |
|----------|--|----------------|---------------|
| HL7 | ORM - Per accepted Draft SOW & HL7 data element specification. | | Yes |
| DICOM | Storage Class Provider | Yes | |
| DICOM | Storage Class User | Yes | |
| Modality | DICOM Modality Worklist | Yes | |

EXHIBIT B, PART III, ATTACHMENT B-1 – SYSTEM REQUIREMENTS

C. OVMC – Project Start Date: TBD

| TYPE | NAME OF INTERFACE | UNIDIRECTIONAL | BIDIRECTIONAL |
|----------|--|----------------|---------------|
| HL7 | ORM - Per accepted SOW & HL7 data element specification. | | Yes |
| DICOM | Storage Class Provider | Yes | |
| DICOM | Storage Class User | Yes | |
| Modality | DICOM Modality Worklist | Yes | |

D. RLANRC – Project Start Date: TBD

| TYPE | NAME OF INTERFACE | UNIDIRECTIONAL | BIDIRECTIONAL |
|----------|--|----------------|---------------|
| HL7 | ORM - Per accepted SOW & HL7 data element specification. | | Yes |
| DICOM | Storage Class Provider | Yes | |
| DICOM | Storage Class User | Yes | |
| Modality | DICOM Modality Worklist | Yes | |

E. LAC+USC – Project Start Date: TBD

| TYPE | NAME OF INTERFACE | UNIDIRECTIONAL | BIDIRECTIONAL |
|----------|---|----------------|---------------|
| HL7 | ORM - Per accepted SOW & HL7 data element specification as modeled by Rancho. | | Yes |
| DICOM | Storage Class Provider | Yes | |
| DICOM | Storage Class User | Yes | |
| Modality | DICOM Modality Worklist | Yes | |

III. COMMUNICATION REQUIREMENTS

The MRI System provided by Contractor under the Agreement shall, during the term of the Agreement, meet the following Communication Requirements.

The existing Client Network infrastructure that the MRI System will be using is as follows:

A. HUMC – Project Start Date: TBD

| RESPONSIBLE PARTY | HARDWARE | DESCRIPTION |
|-------------------|--------------------|---|
| Contractor | Cisco 2811 or 2821 | Cisco 2811 or 2821 for firewalling and layer 3 routing between the imaging center and the County Hospital. The 2821 will be utilized for GIG connectivity if needed |

EXHIBIT B, PART III, ATTACHMENT B-1 – SYSTEM REQUIREMENTS

| RESPONSIBLE PARTY | HARDWARE | DESCRIPTION |
|-------------------|-------------------------------|--|
| Contractor | Cisco Catalyst 2960-G 48 port | Cisco Catalyst 2960-G 48 Port Switch for Gigabyte connectivity and GBIC connectivity. Tier two support via InSight's Corporate Office IT Department |
| Contractor | Data Lines and Data Jacks | CAT5 E cabling and Jacks will be provided as part of the building in the construction phase of this project as specified in Part 1 |
| County | Copper or Fiber | IP addresses of routed networks for DICOM traffic transfer and County IP address for Insight's interface to the County network |
| County | N/A | The County will need to provide 100 Meg Ethernet connection or better from imaging center to the County's network either on copper Cat5 Big E or multi-mode fiber. |
| County | N/A | Dedicated network engineer to work with during implementation |

VPN Connection

| RESPONSIBLE PARTY | HARDWARE | DESCRIPTION |
|-------------------|---------------------------------------|--|
| Contractor | Cisco ASA 5520 | A VPN tunnel will be required between Insight's Data Center to DHS's E-gate interface engines supporting Affinity/Synapse systems for HL7 traffic. The tunnel will be terminated Insight's Cisco ASA security device and will require a Cisco compatible security device on DHS's side. Below are the security settings and pre-share keys will be determined over the phone when the tunnel is setup. The VPN tunnel setup will require a DHS network engineer to work an Insight network engineer and require approximately 5 hours for setup if no technical difficulties arise. Security Settings: IPSEC - Tunnel Encryption - 3DES-168 Authentication - ESP/MD5 IKE Proposal - IKE- 3DES- MD5/Group-2 |
| County | Cisco compatible device – IPSEC 3 DES | Security Settings: IPSEC - Tunnel Encryption - 3DES-168 Authentication - ESP/MD5 IKE Proposal - IKE- 3DES- MD5/Group-2 |

B. MLK – Project Start Date: TBD

| RESPONSIBLE PARTY | HARDWARE | DESCRIPTION |
|-------------------|--------------------|---|
| Contractor | Cisco 2811 or 2821 | Cisco 2811 or 2821 for firewalling and layer 3 routing between the imaging center and the County Hospital. The 2821 will be utilized for GIG connectivity if needed |

EXHIBIT B, PART III, ATTACHMENT B-1 – SYSTEM REQUIREMENTS

| RESPONSIBLE PARTY | HARDWARE | DESCRIPTION |
|--------------------------|-------------------------------|--|
| Contractor | Cisco Catalyst 2960 G 48 port | Cisco Catalyst 2960-G 48 Port Switch for Gigabyte connectivity and GBIC connectivity. Tier two support via InSight's Corporate Office IT Department |
| Contractor | Data Lines and Data Jacks | CAT5 E cabling and Jacks will be provided as part of the building in the construction phase of this project as specified in Part 1 |
| County | Copper or Fiber | IP addresses of routed networks for DICOM traffic transfer and County IP address for Insight's interface to the County network |
| County | N/A | The County will need to provide 100 Meg Ethernet connection or better from imaging center to the County's network either on copper Cat5 Big E or multi-mode fiber. |
| County | N/A | Dedicated network engineer to work with during implementation |

VPN Connection

| RESPONSIBLE PARTY | HARDWARE | DESCRIPTION |
|--------------------------|---------------------------------------|--|
| Contractor | Cisco ASA 5520 | A VPN tunnel will be required between Insight's Data Center to DHS's E-gate interface engines supporting Affinity/Synapse systems for HL7 traffic. The tunnel will be terminated Insight's Cisco ASA security device and will require a Cisco compatible security device on DHS's side. Below are the security settings and pre-share keys will be determined over the phone when the tunnel is setup. The VPN tunnel setup will require a DHS network engineer to work an Insight network engineer and require approximately 5 hours for setup if no technical difficulties arise. Security Settings: IPSEC - Tunnel Encryption – 3DES-168 Authentication - ESP/MD5 IKE Proposal – IKE- 3DES- MD5/Group-2 |
| County | Cisco compatible device - IPSEC 3 DES | Security Settings: IPSEC - Tunnel Encryption - 3DES-168 Authentication - ESP/MD5 IKE Proposal - IKE- 3DES- MD5/Group-2 |

EXHIBIT B, PART III, ATTACHMENT B-1 – SYSTEM REQUIREMENTS

C. OVMC – Project Start Date: TBD

| RESPONSIBLE PARTY | HARDWARE | DESCRIPTION |
|-------------------|-------------------------------|---|
| Contractor | Cisco 2811 or 2821 | Cisco 2811 or 2821 for firewalling and layer 3 routing between the imaging center and the County Hospital. The 2821 will be utilized for GIG connectivity if needed |
| Contractor | Cisco Catalyst 2960 G 48 port | Cisco Catalyst 2960 G 48 Port Switch for Gigabyte connectivity and GBIC connectivity. Tier two support via InSight's Corporate Office IT Department |
| Contractor | Data Lines and Data Jacks | CAT5 E cabling and Jacks will be provided as part of the building in the construction phase of this project as specified in Part 1 |
| County | Copper or Fiber | IP addresses of routed networks for DICOM traffic transfer and County IP address for Insight's interface to the County network |
| County | N/A | The County will need to provide 100 Meg Ethernet connection or better from imaging center to the County's network either on copper Cat5 Big E or multi-mode fiber. |
| County | N/A | Dedicated network engineer to work with during implementation |

VPN Connection

| RESPONSIBLE PARTY | HARDWARE | DESCRIPTION |
|-------------------|---------------------------------------|---|
| Contractor | Cisco ASA 5520 | A VPN tunnel will be required between Insight's Data Center to DHS's E-gate interface engines supporting Affinity/Synapse systems for HL7 traffic. The tunnel will be terminated Insight's Cisco ASA security device and will require a Cisco compatible security device on DHS's side. Below are the security settings and pre-share keys will be determined over the phone when the tunnel is setup. The VPN tunnel setup will require a DHS network engineer to work an Insight network engineer and require approximately 5 hours for setup if no technical difficulties arise. Security Settings: IPSEC - Tunnel Encryption - 3DES-168 Authentication- ESP/MD5 IKE Proposal - IKE- 3DES- MD5/Group-2 |
| County | Cisco compatible device - IPSEC 3 DES | Security Settings: IPSEC - Tunnel Encryption - 3DES-168 Authentication - ESP/MD5 IKE Proposal - IKE- 3DES- MD5/Group-2 |

EXHIBIT B, PART III, ATTACHMENT B-1 – SYSTEM REQUIREMENTS

D. RLANRC – Project Start Date: TBD

| RESPONSIBLE PARTY | HARDWARE | DESCRIPTION |
|-------------------|-------------------------------|---|
| Contractor | Cisco 2811 or 2821 | Cisco 2811 or 2821 for firewalling and layer 3 routing between the imaging center and the County Hospital. The 2821 will be utilized for GIG connectivity if needed |
| Contractor | Cisco Catalyst 2960 G 48 port | Cisco Catalyst 2960 G 48 Port Switch for Gigabyte connectivity and GBIC connectivity. Tier two support via InSight's Corporate Office IT Department |
| Contractor | Data Lines and Data Jacks | CAT5 E cabling and Jacks will be provided as part of the building in the construction phase of this project as specified in Part 1 |
| County | Copper or Fiber | IP addresses of routed networks for DICOM traffic transfer and County IP address for Insight's interface to the County network |
| County | N/A | The County will need to provide 100 Meg Ethernet connection or better from imaging center to the County's network either on copper Cat5 Big E or multi-mode fiber. |
| County | N/A | Dedicated network engineer to work with during implementation |

VPN Connection

| RESPONSIBLE PARTY | HARDWARE | DESCRIPTION |
|-------------------|---------------------------------------|--|
| Contractor | Cisco ASA 5520 | A VPN tunnel will be required between Insight's Data Center to DHS's E-gate interface engines supporting Affinity/Synapse systems for HL7 traffic. The tunnel will be terminated Insight's Cisco ASA security device and will require a Cisco compatible security device on DHS's side. Below are the security settings and pre-share keys will be determined over the phone when the tunnel is setup. The VPN tunnel setup will require a DHS network engineer to work an Insight network engineer and require approximately 5 hours for setup if no technical difficulties arise. Security Settings: IPSEC - Tunnel Encryption - 3DES-168 Authentication - ESP/MD5 IKE Proposal - IKE- 3DES- MD5/Group-2 |
| County | Cisco compatible device - IPSEC 3 DES | Security Settings: IPSEC - Tunnel Encryption - 3DES-168 Authentication - ESP/MD5 IKE Proposal - IKE- 3DES- MD5/Group-2 |

EXHIBIT B, PART III, ATTACHMENT B-1 – SYSTEM REQUIREMENTS

E. LAC+USC – Project Start Date: TBD

| RESPONSIBLE PARTY | HARDWARE | DESCRIPTION |
|-------------------|-------------------------------|---|
| Contractor | Cisco 2811 or 2821 | Cisco 2811 or 2821 for firewalling and layer 3 routing between the imaging center and the County Hospital. The 2821 will be utilized for GIG connectivity if needed |
| Contractor | Cisco Catalyst 2960 G 48 port | Cisco Catalyst 2960G 48 Port Switch for Gigabyte connectivity and GBIC connectivity. Tier two support via InSight's Corporate Office IT Department |
| Contractor | Data Lines and Data Jacks | CAT5 E cabling and Jacks will be provided as part of the building in the construction phase of this project as specified in Part 1 |
| County | Copper or Fiber | IP addresses of routed networks for DICOM traffic transfer and County IP address for Insight's interface to the County network |
| County | N/A | The County will need to provide 100 Meg Ethernet connection or better from imaging center to the County's network either on copper Cat5 Big E or multi-mode fiber. |
| County | N/A | Dedicated network engineer to work with during implementation |

VPN Connection

| RESPONSIBLE PARTY | HARDWARE | DESCRIPTION |
|-------------------|---------------------------------------|--|
| Contractor | Cisco ASA 5520 | A VPN tunnel will be required between Insight's Data Center to DHS's E-gate interface engines supporting Affinity/Synapse systems for HL7 traffic. The tunnel will be terminated Insight's Cisco ASA security device and will require a Cisco compatible security device on DHS's side. Below are the security settings and pre-share keys will be determined over the phone when the tunnel is setup. The VPN tunnel setup will require a DHS network engineer to work an Insight network engineer and require approximately 5 hours for setup if no technical difficulties arise. Security Settings: IPSEC - Tunnel Encryption - 3DES-168 Authentication - ESP/MD5 IKE Proposal - IKE- 3DES- MD5/Group-2 |
| County | Cisco compatible device - IPSEC 3 DES | Security Settings: IPSEC - Tunnel Encryption - 3DES-168 Authentication - ESP/MD5 IKE Proposal - IKE- 3DES- MD5/Group-2 |

EXHIBIT B, PART III, ATTACHMENT B-1 – SYSTEM REQUIREMENTS

IV. COMPUTER HARDWARE REQUIREMENTS**A. HUMC – Project Start Date: TBD**

| RESPONSIBLE PARTY | HARDWARE |
|-------------------|---|
| Contractor | 4 Radiologists workstations |
| Contractor | 4 pairs of 3 MP Wide Monitors |
| Contractor | 3 Fuji Compatible Clinical Document Scanner |
| Contractor | 4 Personal UPS Back-up |

B. MLK – Project Start Date: TBD

| RESPONSIBLE PARTY | HARDWARE |
|-------------------|---|
| Contractor | 2 Radiologists workstations |
| Contractor | 2 pairs of 3 MP Wide Monitors |
| Contractor | 1 Fuji Compatible Clinical Document Scanner |
| Contractor | 2 Personal UPS Back-up |

C. OVMC – Project Start Date: TBD

| RESPONSIBLE PARTY | HARDWARE |
|-------------------|---|
| Contractor | 2 Radiologists workstations |
| Contractor | 2 pairs of 3 MP Wide Monitors |
| Contractor | 1 Fuji Compatible Clinical Document Scanner |
| Contractor | 2 Personal UPS Back-up |

D. RLANRC – Project Start Date: TBD

| RESPONSIBLE PARTY | HARDWARE |
|-------------------|---|
| Contractor | 2 Radiologists workstations |
| Contractor | 2 pairs of 3 MP Wide Monitors |
| Contractor | 1 Fuji Compatible Clinical Document Scanner |
| Contractor | 2 Personal UPS Back-up |

E. LAC+USC – Project Start Date: TBD

| RESPONSIBLE PARTY | HARDWARE |
|-------------------|---|
| Contractor | 2 Radiologists workstations |
| Contractor | 2 pairs of 3 MP Wide Monitors |
| Contractor | 1 Fuji Compatible Clinical Document Scanner |
| Contractor | 2 Personal UPS Back-up |

EXHIBIT B, PART III, ATTACHMENT B-2
TEST PLAN TEMPLATE



InSight Imaging
26250 Enterprise Court
Suite 100
Lake Forest, CA 92630

| | | | |
|-------------------|--|------|--|
| Project Name | | | |
| Document Title | | | |
| Document Overview | | | |
| Sponsor | | | |
| File Name | | | |
| Version No. | | | |
| QA Prepared By | | Date | |
| QA Approved By | | Date | |
| BA Approved By | | Date | |
| DEV Approved By | | Date | |
| UAT Approved By | | Date | |
| Distribution | | | |
| Document Location | | | |

EXHIBIT B, PART III, ATTACHMENT B-2
TEST PLAN TEMPLATE

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1.0 Introduction

1.1 Purpose

The purpose of the Test Plan is to define the test activities and processes required to validate the [project name]. The objectives are to define:

- Scope of the testing project
- Types of testing that will be employed
- Change control and defect tracking processes to be used

1.2 Background

The purpose of the [project name] is to support the [business unit] business requirements:

- High level business requirement 1
- High level business requirement 2, etc.

These business requirements will be supported by the implementation of:

- Brief description of new development, interfaces and processes, if applicable
- Brief description of changes to existing applications, interfaces and processes, if applicable
- Brief description of new and upgraded hardware, networks or other physical components, if applicable

1.3 General Scope

The required test activities will be employed to validate:

- System will support the stated business requirements
- Functionality is as specified by all requirements documents listed in the Appendix, change control reviews and defect management reviews
- System interfaces accurately with connecting systems A, B, C, etc.
- System meets and maintains defined service agreements
- System meets standards required by InSight Imaging, partners of InSight Imaging and the Health Insurance Probability and Accountability Act

2.0 Test Activities

2.1 Assumptions and Risks

- Required resources will be available when needed
- Test team will have adequate time to plan and perform testing prior to the go-live date
- Test environments must be established and configured before the start of testing
- Hardware and software components will be delivered on time to the test team

**EXHIBIT B, PART III, ATTACHMENT B-2
TEST PLAN TEMPLATE**

- Delivered components will be adequately unit tested before delivery to the test team
- All hardware, software, requirements and documentation changes will be communicated to the test team in a timely manner
- All test-blocking defects will receive immediate attention from the development team

2.2 Test Types

The list below identifies the test activities required for complete system validation. [For each test activity define test objectives, scope, test environment, responsible group, resources required, test tools, entrance criteria, discrete activities and frequency of activity, reporting and exit criteria.]

2.2.1 Reliability Test

- 2.2.1.1 Objectives
- 2.2.1.2 Scope
- 2.2.1.3 Environment
- 2.2.1.4 Responsible group
- 2.2.1.5 Resources
- 2.2.1.6 Test tools
- 2.2.1.7 Entrance criteria
- 2.2.1.8 Activities and frequency
- 2.2.1.9 Reporting
- 2.2.1.10 Exit criteria

2.2.2 Data Transfer Test

2.2.3 Functional Test

2.2.4 Final Acceptance Test

3.0 Processes

3.1 Change Management

Describe the Change Management process which will be employed for this project. Include:

- Change Management life cycle
- Change Management repository
- Change Management participants
- Change Management prioritization
- Change Management review
- Change Management reporting, distribution and frequency
- Incorporation of approved changes in system and documentation

3.2 Defect Management

Describe the Defect Management process which will be employed for the project. Include:

- Defect Management tools
- Defect classifications
- Defect prioritization and assignment
- Defect review and participants
- Defect resolution
- Defect reporting, distribution and frequency

3.3 Deployment

Describe the activities necessary to deploy the [project] into the production environment. Include:

- Deployment documentation
- Deployment review and participants
- Deployment software and hardware preparation
- Deployment schedule and assignments
- Deployment go-no go decision
- Rollback process
- Deployment notification
- Post-implementation support

EXHIBIT B, PART III, ATTACHMENT B-2
TEST PLAN TEMPLATE

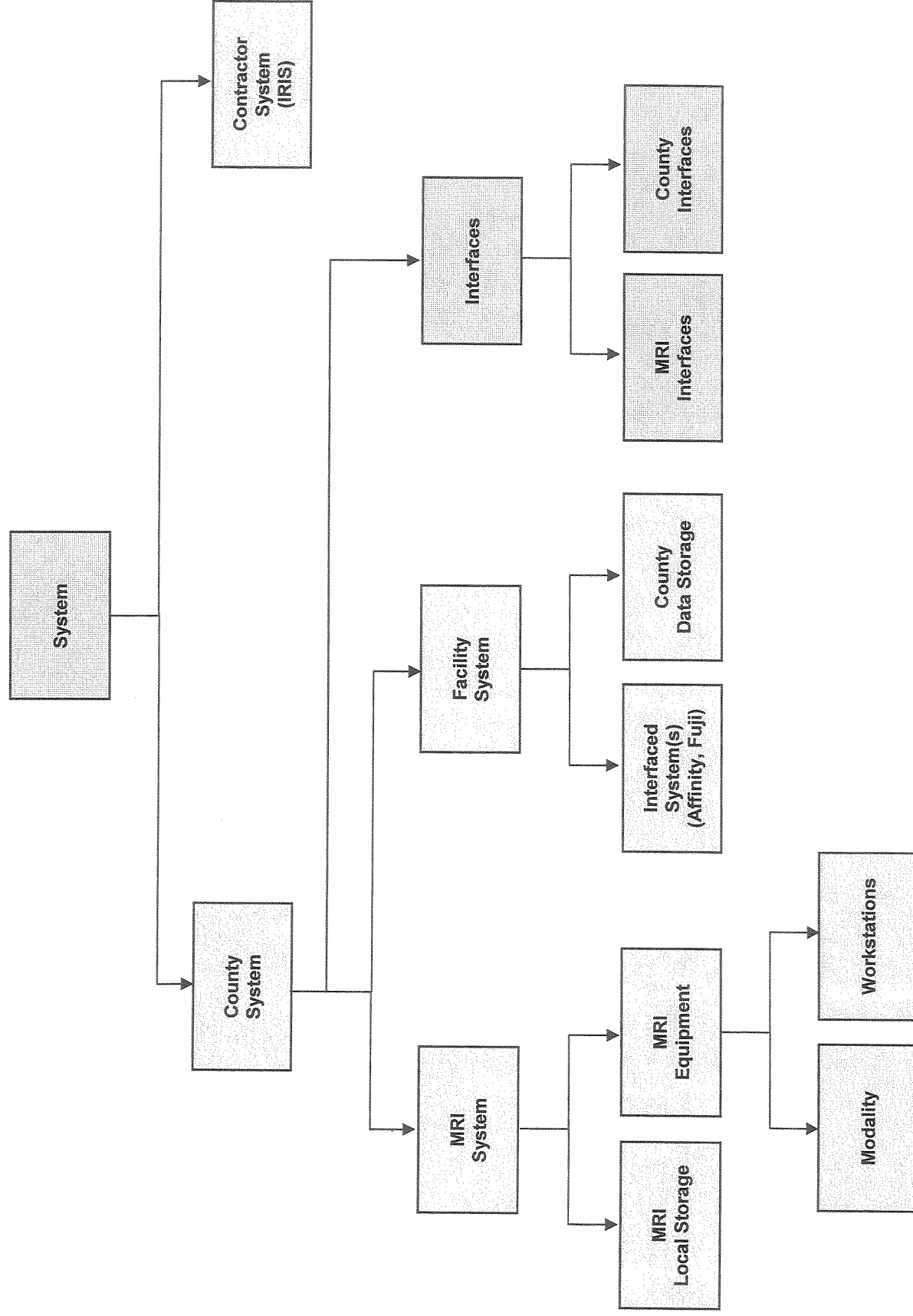
APPENDIX

REFERENCE DOCUMENTS

List of documents utilized in developing the [project] Test Plan.

| Document | Received | Version / Date | Notes |
|-------------------------------------|--|-------------------|-------|
| Functional Documentation [name ...] | <input type="checkbox"/> Yes <input type="checkbox"/> No | | |
| Use Case Documents | <input type="checkbox"/> Yes <input type="checkbox"/> No | | |
| Change Control/Request | <input type="checkbox"/> Yes <input type="checkbox"/> No | | |
| Technical documentation | <input type="checkbox"/> Yes <input type="checkbox"/> No | | |
| System Design documentation | <input type="checkbox"/> Yes <input type="checkbox"/> No | | |

EXHIBIT B, ATTACHMENT B-3, SYSTEM COMPONENTS FLOWCHART



Blue -- IRIS Off-Site Location
 Green -- DHS Facility System Structure
 Grey -- Contract vendor responsibilities

MRI SOW Flowchart
 Edward Holguin
 April 7, 2008

EXHIBIT B, PART III, Attachment B-4 - SYSTEM IMPLEMENTATION PLAN

CONTRACTOR will provide the deliverable dates for each County Facility.

IMPLEMENTATION PLAN(S)

I. HUMC – PROJECT START DATE: TBD – note deliverable numbers must correlate back to SOW

| DELIVERABLE NUMBER | DELIVERABLE DESCRIPTION | ASSOCIATED MILESTONE | DUE DATE |
|-----------------------|--|-------------------------|-------------|
| | Approved Contract for County MRI Services | | |
| | Provide County System Implementation Plan | | |
| | Provide County Project Plan | | |
| | County approved MRI Workflow And Scope Document | | |
| | County provided Universal Service Code (USC) to CPT Code Mapping Requirements | | |
| | Draft HL-7 Transaction/Field Map - Preliminary Analysis Versus Fuji Synapse PACS | | |
| | Revised HL-7 Transaction/Field Map - Revised Analysis Versus Affinity HIS | | |
| | County approved specification for HL-7 Transaction and Field mappings | | |
| | County provided URLs and IP Addresses and Ports for E-Gate interface systems | | |
| | Investigate the possibility of a device which will intelligently automatically route Digital images from Insight Modalities to Fuji PACS | | |
| | Universal HL7 Listener for receiving inbound HL7 messages from E-Gate (Affinity and Synapse) | | |
| | Universal HL7 Sender for sending outbound HL7 messages to E-Gate (Affinity and Synapse) | | |
| | IRIS changes to accommodate Four County HIS number identifiers. | | |
| | Configure QA environment for testing HL7 and data transactions between County and Insight systems | | |
| | Test HL7 Interface – ORM Functionality | | |
| | Test HL7 Interface – ORU Functionality | | |
| | Reliability Test Sign-off | | |
| | Data Transfer Test Sign-off | | |
| | Functional Test Sign-off | | |
| | Deploy HL7 Interfaces into Production Environment - Insight | | |
| | Deploy HL7 Interfaces into Production Environment - County | | |
| | Final Acceptance Period | | |
| | Final Acceptance Sign-off | | |
| | Hardware Implementation | | |
| | Network modifications | | |
| | Acceptance of Modality Work List | | |

II. MLK – PROJECT START DATE: TBD

| DELIVERABLE NUMBER | DELIVERABLE DESCRIPTION | ASSOCIATED MILESTONE | DUE DATE |
|-----------------------|--|-------------------------|-------------|
| | County approved MRI Workflow And Scope Document | | |
| | County provided Universal Service Code (USC) to CPT Code Mapping Requirements | | |
| | Draft HL-7 Transaction/Field Map - Preliminary Analysis Versus Fuji Synapse PACS | | |
| | Contractor to manually enter Contrast\Sedation into Fuji Notes. | | |
| | Revised HL-7 Transaction/Field Map - Revised Analysis Versus Affinity HIS | | |
| | County approved specification for HL-7 Transaction and Field mappings | | |
| | County provided URLs and IP Addresses and Ports for E-Gate interface systems | | |
| | Approved/ Executed County Contract | | |
| | Investigate the possibility of a device which will intelligently automatically route Digital images from Insight Modalities to Fuji PACS | | |
| | Universal HL7 Listener for receiving inbound HL7 messages from E-Gate (Affinity and Synapse) | | |
| | Universal HL7 Sender for sending outbound HL7 messages to E-Gate (Affinity and Synapse) | | |
| | IRIS changes to accommodate Four County HIS number identifiers. | | |
| | Configure QA environment for testing HL7 and data transactions between County and Insight systems | | |
| | Test HL7 Interface – ORM Functionality | | |
| | Reliability Test Sign-off | | |
| | Data Transfer Test Sign-off | | |
| | Functional Test Sign-off | | |
| | Deploy HL7 Interfaces into Production Environment - Insight | | |
| | Deploy HL7 Interfaces into Production Environment - County | | |
| | Final Acceptance Period | | |
| | Final Acceptance Sign-off | | |
| | Hardware Implementation | | |
| | Network modifications | | |
| | Acceptance of Modality Work List | | |

III. OVMC – PROJECT START DATE: TBD

| DELIVERABLE NUMBER | DELIVERABLE DESCRIPTION | ASSOCIATED MILESTONE | DUE DATE |
|-----------------------|--|-------------------------|-------------|
| | County approved MRI Workflow And Scope Document | | |
| | County provided Universal Service Code (USC) to CPT Code Mapping Requirements | | |
| | Draft HL-7 Transaction/Field Map - Preliminary Analysis Versus Fuji Synapse PACS | | |
| | Revised HL-7 Transaction/Field Map - Revised Analysis Versus Affinity HIS | | |
| | County approved specification for HL-7 Transaction and Field mappings | | |
| | County provided URLs and IP Addresses and Ports for E-Gate interface systems | | |
| | Approved/ Executed County Contract | | |
| | Investigate the possibility of a device which will intelligently automatically route Digital images from Insight Modalities to Fuji PACS | | |
| | Universal HL7 Listener for receiving inbound HL7 messages from E-Gate (Affinity and Synapse) | | |
| | Universal HL7 Sender for sending outbound HL7 messages to E-Gate (Affinity and Synapse) | | |
| | IRIS changes to accommodate Four County HIS number identifiers. | | |
| | Configure QA environment for testing HL7 and data transactions between County and Insight systems | | |
| | Test HL7 Interface – ORM Functionality | | |
| | Reliability Test Sign-off | | |
| | Data Transfer Test Sign-off | | |
| | Functional Test Sign-off | | |
| | Deploy HL7 Interfaces into Production Environment - Insight | | |
| | Deploy HL7 Interfaces into Production Environment - County | | |
| | Final Acceptance Period | | |
| | Final Acceptance Sign-off | | |
| | Hardware Implementation | | |
| | Network modifications | | |
| | Acceptance of Modality Work List | | |

IV. RLANRC – PROJECT START DATE: TBD

| DELIVERABLE NUMBER | DELIVERABLE DESCRIPTION | ASSOCIATED MILESTONE | DUE DATE |
|-----------------------|--|-------------------------|-------------|
| | County approved MRI Workflow And Scope Document | | |
| | County provided Universal Service Code (USC) to CPT Code Mapping Requirements | | |
| | Draft HL-7 Transaction/Field Map - Preliminary Analysis Versus Fuji Synapse PACS | | |
| | Revised HL-7 Transaction/Field Map - Revised Analysis Versus Affinity HIS | | |
| | County approved specification for HL-7 Transaction and Field mappings | | |
| | County provided URLs and IP Addresses and Ports for E-Gate interface systems | | |
| | Approved/ Executed County Contract | | |
| | Investigate the possibility of a device which will intelligently automatically route Digital images from Insight Modalities to Fuji PACS | | |
| | Universal HL7 Listener for receiving inbound HL7 messages from E-Gate (Affinity and Synapse) | | |
| | Universal HL7 Sender for sending outbound HL7 messages to E-Gate (Affinity and Synapse) | | |
| | IRIS changes to accommodate Four County HIS number identifiers. | | |
| | Configure QA environment for testing HL7 and data transactions between County and Insight systems | | |
| | Test HL7 Interface – ORM Functionality | | |
| | Reliability Test Sign-off | | |
| | Data Transfer Test Sign-off | | |
| | Functional Test Sign-off | | |
| | Deploy HL7 Interfaces into Production Environment - Insight | | |
| | Deploy HL7 Interfaces into Production Environment - County | | |
| | Final Acceptance Period | | |
| | Final Acceptance Sign-off | | |
| | Hardware Implementation | | |
| | Network modifications | | |
| | Acceptance of Modality Work List | | |

EXHIBIT B, PART III, Attachment B-4 - SYSTEM IMPLEMENTATION PLAN

V. LAC+USC – PROJECT START DATE: TBD

| DELIVERABLE NUMBER | DELIVERABLE DESCRIPTION | ASSOCIATED MILESTONE | DUE DATE |
|-----------------------|--|-------------------------|-------------|
| | Approved Contract for County MRI Services | | |
| | Provide County System Implementation Plan | | |
| | Provide County Project Plan | | |
| | County approved MRI Workflow And Scope Document | | |
| | County provided Universal Service Code (USC) to CPT Code Mapping Requirements | | |
| | Draft HL-7 Transaction/Field Map - Preliminary Analysis Versus Fuji Synapse PACS | | |
| | Revised HL-7 Transaction/Field Map - Revised Analysis Versus Affinity HIS | | |
| | County approved specification for HL-7 Transaction and Field mappings | | |
| | County provided URLs and IP Addresses and Ports for E-Gate interface systems | | |
| | Investigate the possibility of a device which will intelligently automatically route Digital images from Insight Modalities to Fuji PACS | | |
| | Universal HL7 Listener for receiving inbound HL7 messages from E-Gate (Affinity and Synapse) | | |
| | Universal HL7 Sender for sending outbound HL7 messages to E-Gate (Affinity and Synapse) | | |
| | IRIS changes to accommodate Four County HIS number identifiers. | | |
| | Configure QA environment for testing HL7 and data transactions between County and Insight systems | | |
| | Test HL7 Interface – ORM Functionality | | |
| | Test HL7 Interface – ORU Functionality | | |
| | Reliability Test Sign-off | | |
| | Data Transfer Test Sign-off | | |
| | Functional Test Sign-off | | |
| | Deploy HL7 Interfaces into Production Environment - Insight | | |
| | Deploy HL7 Interfaces into Production Environment - County | | |
| | Final Acceptance Period | | |
| | Final Acceptance Sign-off | | |
| | Hardware Implementation | | |
| | Network modifications | | |
| | Acceptance of Modality Work List | | |

EXHIBIT C

PRICE AND PAYMENTS

I. Technical Services

1. **Fee-Per-Scan for County-Responsible Patients.** Except as provided in Section III, below, Contractor will provide MRI scans for County-Responsible Patients under the Agreement at the MRI Centers, and arrange for Open MRI scans in accordance with Exhibit B, Part II, at the fee-per-scan price of \$546.10 per procedure, with a “procedure” being defined as any number of sequences necessary to complete a diagnostic MRI scan of a single anatomical region of the body (by CPT Code). County will be responsible for providing all related physician services and other professional services required for both County-Responsible and County-Referred Patients.

2. Services Included in and Excluded from Fee-Per-Scan

2.1. **Services Included.** The following are included in Contractor’s fee-per-scan pricing:

- New MRI Equipment at each MRI Center as described in Exhibit F
- New or remodeled MRI Centers, as described in Exhibit B, Part I
- Implementation of PACS work stations and IRIS and related software as described in Exhibit B, Part III
- MRI Centers appropriately staffed as required by scan volumes during operating hours as set forth in Exhibit B, Part II
- Supplies related to scanning
- Scheduling and patient processing
- Open MRI scans at off-site locations as described in Exhibit B, Part II
- TAR processing and billing for outpatient services to Medi-Cal patients
- Assistance to physicians with enrollment in payor programs
- Unlimited scan sequences
- Contrast material as needed
- Blood pressure and O2 monitoring
- Hospital inpatient transportation from HUMC, MLK, OVMC and RLANRC to the on-campus MRI Centers, except (1) County shall, at its

sole cost, be responsible for providing all necessary medical and/or nursing oversight for patients during transport, and (2) County shall, at its sole cost, provide such transportation to the extent that standard Contractor transportation is not authorized by County, DHS or Hospital policy. (County shall also be responsible, at its sole cost, for any transportation of County-Referred inpatients to any Open MRI Center.)

2.2. **Services Excluded from Fee-Per-Scan.** The fee-per-scan pricing excludes: (1) the cost for telephone, utilities, security and landscaping, which shall be the sole responsibility of County, (2) on-call and standby services, which are covered under Paragraph 2.3, below, (3) software maintenance services for which separate payment is provided, and (4) payments in connection with Change Orders under Paragraph 7 of the Base Agreement.

2.3. **Standby and On-Call Services**

- County will pay Contractor \$4 per hour per MRI Center for the time that the MRI technologist is on call. The MRI technologist will be on-call at all times other than the normal operating hours of the MRI Center unless County notifies Contractor otherwise in writing.
- For any continuous period of time any MRI Center operates beyond its normal operating hours at the request of County, County will pay Contractor \$150 per hour for the first two hours and \$60 per hour for each additional hour, with any partial hour being charged at the full hourly rate. (Contractor will not charge County the \$4 per hour charge for an on-call MRI technologist with respect to any hours for which Contractor charges County under this Paragraph.)

3. **Billing and Payment.** Billing for services provided to County-Responsible Patients will be performed as follows:

- 3.1. Billing for services by each MRI Center will be submitted to the chief financial officer for the related County Facility once each month, for the previous month's services, on a ledger bill. This bill shall include claims related to the billing and collection services provided pursuant to Part II below.
- 3.2. For each exam performed, the ledger bill will list the patient's name, record number, date-of-service, CPT code, exam description and charged amount. Prior to the execution of this Agreement, County shall provide Contractor with an approved copy of what constitutes a complete and correct billing, and all billings will be considered complete if they adhere to the form of this approved copy. In the event that a billing is submitted which contains some disputed items, County shall pay for all services

listed on the invoice for which information provided is correct and complete while the discrepant item(s) are being resolved.

3.3. With respect to billing and collection services under Part II below, on its bill Contractor will list each payment received by Contractor or County from a third party payor during the preceding month and the amount owed to Contractor based on the receipt of such payment. With the invoice, Contractor shall supply such documentation not already obtained by County as is necessary to allow County to determine the patients and services to which the payment relates and the amount on a service-and-patient-specific basis that was received.

3.4. Payment will be due and payable 30 days after receipt of invoice. Time is of the essence.

4. **Special Billing Rules for County-Referred Outpatients.** Specific billing and payment procedures for County-Referred outpatients are as follows:

4.1. **County Notification Regarding Third Party Payor Coverage:** At the time of referring any outpatient to an MRI Center for MRI Services, County, to the extent known, shall inform Contractor of any third-party payer coverage of the particular outpatient (i.e., Medicare, Medi-Cal, or any other public or private third-party payer coverage).

4.2. **County-Referred Outpatients With No Third Party Payor Coverage:** If a County-Referred outpatient has no third-party payer coverage and fits within the definition of County-Responsible pursuant to Paragraph 2 of the Base Agreement, then Contractor shall bill County for the MRI Services provided to the patient. If Contractor concludes in good faith that any such County-Referred outpatient does not fit within the definition of County-Responsible, Contractor may, in its sole discretion, determine whether or not to provide MRI services to the patient.

4.3. **County-Referred Outpatients With Third Party Payor Coverage Other Than Medi-Cal:** If the outpatient has third-party payer coverage other than Medi-Cal, Contractor shall bill the third-party payer(s) for the MRI Services provided to the patient. Upon receipt of payment from the third party payer(s), such payment shall be regarded as payment in full, except for patient co-payments and deductibles that are the responsibility of the patient. County is not responsible for the cost of care to such patients except as provided in Paragraph 4.6, below.

4.4. **County-Referred Outpatients With Presumed Medi-Cal Coverage:**

(1) If the outpatient is determined to be Medi-Cal covered and the MRI procedure is approved by the Medi-Cal field office and the treatment authorization request (TAR) form is signed by a representative of the Medi-Cal field office or is otherwise

authorized for coverage by Medi-Cal within the time constraints imposed by Medi-Cal, Contractor shall bill Medi-Cal for the MRI Services provided to the patient.

- (2) Contractor shall reasonably pursue all administrative remedies available under Medi-Cal to secure payment from Medi-Cal. Contractor shall continue to pursue resolution for each case denied by Medi-Cal until either payment from Medi-Cal or notification of an unappealable denial of the claim from the Medi-Cal Fiscal Intermediary is received. Claims may then be submitted to County for payment with copy of notification of unappealable denial, so long as such denial is for lack of medical necessity, failure of a County Radiologist or other County physician to provide necessary information, or lack of beneficiary eligibility and the beneficiary has no other form of third party payer coverage. Documentary evidence of such collection and appeal attempts shall be retained by Contractor and shall be made reasonably available to County for purposes of inspection and audit.

4.5. **Subsequent Determinations of Third Party Payor Coverage:** If third-party payer coverage is determined by County after Contractor has billed and been paid by County, then County shall inform Contractor and Contractor shall bill the third-party payer for the MRI Services provided to the patient. Upon receipt by Contractor of any payment from the third-party payer(s), such payment shall be regarded as payment in full, except for patient co-payments and deductibles which are the responsibility of the patient, and Contractor shall refund to County all monies paid by County for that patient. Any such refund to County shall be made in the form of an adjustment on the next scheduled billing to County or, if none, paid forthwith by Contractor to County. If the third party denies payment, then Contractor shall assign to County all of its rights to bill the patient for unpaid services.

4.6. **MRI Procedures Not Approved by Third Party Payors:** It is understood that some MRI procedures have not been approved for reimbursement by some third-party payers. If a County physician requests such a non-covered MRI procedure as a medical necessity for a County-Referred Patient covered by such third party payer and the billing is fully denied by the third party payer, then Contractor shall bill County for such procedure(s). Prior to billing County, Contractor shall assign to County all of its rights to bill the patient for such non-covered care. Documentation of all such denials shall be retained by Contractor and made reasonably available to County for purposes of inspection and audit. Billing to County pursuant to this Subparagraph shall include a copy of the third-party payer's denial.

- 4.7. **Co-payments and Deductibles:** In all cases where a County-Referred outpatient is responsible for co-payments or deductibles, Contractor may bill the patient for such co-payments and deductibles and retain any amounts collected.

II. **Billing and Collection for Professional Services Provided by County Radiologists for Outpatients**

1. **County-Responsible Patients**

In the case of County-Responsible Patients, there shall be no billing by Contractor or otherwise for professional services provided by the County Radiologists at the MRI Centers.

2. **County-Referred Patients**

- 2.1. **Exclusive Provider of Billing and Collection Services.** In the case of County-Referred Patients who are not County-Responsible Patients, Contractor shall provide billing and collection services on behalf of and for the benefit of County with respect to professional services provided by County Radiologists at the MRI Centers for the services indicated on Attachment A to this Exhibit C. Notwithstanding the foregoing, Contractor shall not bill for County Referred Patients who are covered by a capitated arrangement or any arrangement where there is a consolidated, all-inclusive fee that covers inpatient services.
- 2.2. **Consolidated Bills.** Although Contractor shall submit claims for professional services which are separate and distinct from its claims for technical services whenever possible, the parties recognize that there may be some third party payors which insist on receiving a global or consolidated charge, or which pay only a consolidated amount. In the event a third party payor pays for both technical and professional services on a consolidated basis, 18% of the amount collected shall be deemed payment for professional services and the remainder shall be deemed payment for technical services.
- 2.3. **Fee Schedule.** Contractor shall use a fee schedule created by the County for professional services to be provided at the MRI Centers (the "Fee Schedule"), which shall not exceed the reasonable, usual and customary charges for such services, which Fee Schedule may be modified from time to time by County, upon notice to Contractor..
- 2.4. **Billing and Collection Standards.** Contractor shall provide billing and collection services under Paragraph II.2.1 in accordance with standard industry practices as reasonably determined by Contractor and the County Department of Health Services' collection policies. To the extent that Contractor possesses the necessary information, Contractor shall, at a minimum issue a bill for each service, and will make reasonable efforts to collect on the charge. To the extent that Contractor wishes to compromise

the claim and the amount by which the claim would be reduced is less than \$15,000, Contractor may do so in its discretion. To the extent the amount is greater than \$15,000, Contractor shall seek consent from the DHS Division Chief, Revenue Management, to reduce the claim. When, in the exercise of its judgment, Contractor deems any account uncollectible, or any remaining balance on an account uncollectible, it may return such account to the County, which may proceed with collections or write off the balance at its sole discretion. Contractor does not guarantee the extent any fees billed will be collected.

- 2.5. **Disposition of Funds.** To the extent that Contractor receives any payments for physician professional services, whether by check or any other means, Contractor shall within 3 business days transmit such funds to County. Once per month, County shall notify Contractor of any payments it has directly received related to claims submitted by Contractor for professional services, and provide such information regarding the services related to such payments as Contractor reasonably requests.
- 2.6. **Compensation.** For the billing and collection services provided pursuant to this Part II, Contractor shall be paid 8% of the amount collected. Contractor shall invoice and be paid pursuant to Part I Section 3 above. County shall pay Contractor 8% of such amounts collected for Contractor's billing and collection services hereunder even if such amounts are collected following the expiration or termination of this Agreement.
- 2.7. **Billing Protocol for County-Referred Patients.** County and Contractor understand and agree that it is not always possible immediately to identify whether a County-Referred Patient is a County-Responsible Patient. Accordingly, Contractor and County shall develop a mutually acceptable protocol regarding Contractor's billing and collection activities hereunder for County-Referred Patients whose classification as a County-Responsible Patient is or becomes unclear.
- 2.8. **County Radiologists.**
 - (1) County shall ensure that County Radiologists are available to provide necessary and appropriate professional services for County-Referred Patients hereunder, and complete and provide to Contractor all documents, opinions, diagnoses, recommendations, records and other evidence necessary for supporting the fees charged for professional services, including without limitation, the completion of physician supervision logs or sign-in sheets for verification of the presence of a physician when procedures requiring a physician's presence are being performed. Without limiting County's obligation to ensure the availability of County Radiologists hereunder, Contractor agrees that it shall not provide

MRI Services at the MRI Centers in the event necessary County Radiologists are not available.

- (2) County shall ensure that County Radiologists are informed and agree that all amounts collected by Contractor under this Paragraph II.2 with respect to such professional services are the sole property of County. County shall defend, protect and hold Contractor harmless regarding any claims by the County Radiologists regarding the billing, collection or distribution of related professional fees.

2.9. **Harbor-UCLA Medical Center.** The provisions of this Paragraph II.2 shall not apply to County-Referred Patients who receive MRI Services at the MRI Center on the Harbor-UCLA Medical Center campus. However, Contractor will, at the request of County, negotiate in good faith with County and other involved parties, including Harbor UCLA Medical Foundation, Inc., regarding modifications to the existing billing and collection arrangements for associated outpatient professional services provided to such County-Referred Patients.

3. **Patients Who Are Not County-Referred Patients ("Non-County-Referred Patients")**

- 3.1. Subject to Paragraph 3.2 below, Contractor may, in its discretion, enter into arrangements with County Radiologists to provide professional services to patients who are Non-County-Referred Patients in connection with MRI Services provided at the MRI Centers hereunder.
- 3.2. Contractor shall require each contracting Radiologist under Paragraph 3.1, above, to agree in writing (1) to have professional liability insurance coverage in an amount not less than \$1 million per claim and \$3 million in the aggregate that affords coverage for liability arising out of professional services provided to patients who are Non-County-Referred or to have equivalent coverage under a self-insured professional liability program maintained by the Regents of the University of California, and, in either case, providing coverage for any liability which may arise from the supervision of the administration of contrast media to Non-County-Referred Patients; (2) to use good faith efforts to identify and obtain insurance coverage for Radiologist's indemnification obligations under clause 3.2(5), below, subject to such coverage being reasonably available at a reasonable cost; (3) not to evaluate and interpret MRI scans for Non-County-Referred Patients during any time for which the County Radiologist is being compensated by County; (4) that the County will not protect or indemnify him or her from liability related to professional services provided to Non-County-Referred Patients; and (5) that Radiologist will indemnify and hold harmless the County for any losses

or damages arising from or relating to Radiologists' services to Non-County Referred Patients.

- III. **Open MRI Services Under the LAC+USC Agreement.** County and Contractor understand and agree that Open MRI services provided to County-Responsible Patients in connection with the LAC+USC Medical Center are provided pursuant to the Imaging Science Center Operating and Affiliation Agreement ("LAC+USC Agreement"), by and among County, Contractor and University of Southern California Imaging Associates, Inc. County may, upon written notice to Contractor, elect to access Open MRI services pursuant to this Agreement for LAC+USC patients who are County-Responsible so long as such election does not conflict with the LAC+USC Agreement, in which event Contractor will bill County \$546.10 for the technical component of the MRI scans as set forth in Paragraph I.1 of this Exhibit, above.
- IV. **MRI Payment Chart.** An MRI Payment Chart (Attachment A) outlines the billing and payment process by payor status for MRI services provided hereunder.

ATTACHMENT A
MRI PAYMENT CHART
TECHNICAL SERVICES

| PAYOR STATUS | OUTPATIENT | INPATIENT |
|---------------------|---|--|
| Indigent | County pays Contractor | County pays Contractor |
| Medi-Cal | Contractor bills Medi-Cal directly | County Pays Contractor; County bills Medi-Cal |
| Third Party | Contractor bills Insurance directly | County pays Contractor; County bills Insurance |
| Medicare | Contractor bills Medicare under its own provider number | County pays Contractor; County bills Medicare |
| CHP | County pays Contractor | County pays Contractor |

PROFESSIONAL/PHYSICIAN SERVICES

| PAYOR STATUS | OUTPATIENT | INPATIENT |
|------------------------------------|--|---|
| Indigent | County provides - No billing | County provides - No billing |
| Medi-Cal County-Referred | Contractor bills on County's behalf | County provides, and bills Medi-Cal |
| Third Party County Referred | Contractor bills on County's behalf | County provides, County bills Insurance |
| Third Party Non County Referred | Contractor must secure professional services for all non-County referred patients, regardless of payor type, with billing based on Contractor's agreement with physician | Not Applicable |
| Medicare County-Referred | Contractor bills on County's behalf | County provides - County bills Medicare |
| CHP | County provides - No billing | County provides - No billing |

EXHIBIT D

MAINTENANCE AND SUPPORT

I. GENERAL

The terms and conditions set forth in this Exhibit D are in addition to the maintenance and support obligations of each Support Services Provider of maintenance and support for the MRI Equipment on behalf of Contractor under the applicable Service Agreement, the summary of which is set forth in the corresponding Schedule to this Exhibit D. Capitalized terms used in this Exhibit D without definition herein shall have the meanings given to such terms in the Agreement.

Contractor shall provide maintenance and support services in accordance with the requirements set forth in the Agreement and this Exhibit D from Contractor's business premises remotely or at the applicable County Facility, as reasonably determined by Contractor, as necessary for Contractor to fulfill its obligations under the Agreement.

II. DEFINITIONS

A. DEFICIENCY PRIORITY LEVELS

The following Priority Levels for Deficiencies shall apply to MRI Equipment:

| PRIORITY LEVEL | DESCRIPTION OF DEFICIENCY | CONTRACTOR SHALL USE REASONABLE BEST EFFORTS TO ACHIEVE THE FOLLOWING RESOLUTION TIMES |
|----------------|---|--|
| I | <p>The failure or malfunctioning of the MRI Equipment, including all hardware and software residing thereon,:</p> <p>(i) which causes a complete or substantial operational shutdown of County Facility's capacity to utilize such MRI Equipment, with no immediate temporary alternative available, or</p> <p>(ii) which causes major impact on MRI Services resulting in severely degraded MRI Equipment performance, with no available workaround.</p> <p>In the event that Priority Level I Deficiency is reported multiple times for the same issue, Contractor and County shall agree in writing on the best approach to prevent repeated Deficiencies including replacement of the MRI Equipment at issue.</p> <p>Any overtime costs resulting from backlogs, over-scheduling, rollovers or double-booking caused by such Deficiency shall not be charged to County.</p> | <p>Twenty-four (24) hours following County's report of the Deficiency to Contractor.</p> |
| II | <p>The failure or malfunctioning of the MRI Equipment, including all hardware and software residing thereon, which:</p> <p>(i) for which there is an available workaround available, including restoration of the MRI Equipment to its original function on an as-needed basis or as may be required in response to such failure or malfunctioning of the MRI Equipment; or</p> <p>(ii) which impacts MRI Services, including the transmission of data or images within the County System.</p> <p>Any overtime costs resulting from backlogs, over-scheduling or rollovers or double-booking caused by such Deficiency shall not be charge to County.</p> | <p>Forty-eight (48) hours following County's report of the Deficiency to Contractor.</p> <p>Deficiencies which are initially assigned Priority Level II are subject to escalation by County.</p> |
| III | <p>An MRI Equipment problem which causes minor impact on MRI Services with available workaround, including minor restoration of the MRI Equipment that relates to workflow, operations or training.</p> | <p>Two (2) weeks following County's report of the Deficiency to Contractor.</p> <p>Deficiencies which are initially assigned Priority Level III are subject to escalation by County.</p> |

B. MAINTENANCE TERMS

1. “Preventive Maintenance Services” shall mean services arranged or performed by Contractor or the applicable Support Services Provider to preserve the original function and operational state of the MRI Equipment, including all hardware and software residing thereon.
2. “Repair Services” shall mean the applicable workaround for restoring the MRI Equipment corresponding to the Deficiency Priority Level definition set forth in Section II.A (Deficiency Priority Level) above.

III. MRI EQUIPMENT INVENTORY AND SERVICE

- A. COMPREHENSIVE EQUIPMENT INVENTORY: Commencing from the Effective Date, and upon each annual anniversary thereafter, Contractor shall, in association with appropriate County staff, develop and maintain a comprehensive equipment inventory list of all MRI Equipment, including all hardware and software residing thereon, provided hereunder by Contractor at each County Facility. The comprehensive equipment inventory list shall contain, at minimum, serial numbers, date received by County and expiration dates of the applicable Warranties and Service Agreements.
- B. SUMMARY OF SUPPORT SERVICES: As part of the Agreement, Contractor shall include, as a Schedule to this Exhibit D, a summary of warranties and the Support Services for the MRI Equipment at each County Facility, including the hours and levels of maintenance and support specified in the applicable Service Agreement.
- C. MRI SCANNER WARRANTIES AND SERVICE AGREEMENTS: Contractor shall provide to County a description of the applicable Warranties and substantive non-confidential terms of the applicable Service Agreement that Contractor has obtained for each MRI Scanner.
- D. OTHER WARRANTIES AND SERVICE AGREEMENTS: Contractor shall provide to County, within thirty (30) days of County’s request, a summary of Warranties and the Support Services for the MRI Equipment other than the MRI Scanners provided by Contractor hereunder.

IV. PREVENTIVE MAINTENANCE

Commencing from the Go-Live date at each County Facility, Contractor shall provide the County with a preventive maintenance schedule for the MRI Equipment at each County Facility based on the recommendations of the MRI Equipment manufacturer.

Preventive maintenance services shall be provided in accordance with the applicable Service Agreements between Contractor and the appropriate original equipment manufacturers covering the provision of emergency Repair Services and Support Services for the MRI Equipment. Contractor shall use reasonable commercial efforts to ensure that such Service Agreements provide for preventive maintenance services for County Facilities to be performed Monday through Friday between 7:00 a.m. and midnight, excluding weekends and County holidays. Preventive maintenance may also be performed at other times as mutually agreed to by both County and Contractor.

The number of preventive maintenance visits must meet the reasonable needs of each County Facility, must be performed at regularly scheduled intervals and must comply with all applicable licensing and accrediting agencies. Contractor shall ensure that all MRI Equipment is maintained to meet minimum regulatory compliance standards.

- A. PREVENTIVE MAINTENANCE DURING WARRANTY: Contractor shall perform preventive maintenance during Warranty in accordance with the recommendations of the MRI Equipment manufacturer.
- B. PREVENTIVE MAINTENANCE AFTER WARRANTY: After the completion of Warranty, Contractor shall perform preventive maintenance in accordance with the specifications of any applicable extended warranty and/or service agreement and as set forth herein.

V. SUPPORT SERVICES

- A. PROVISION OF SERVICES: Commencing from the Go-Live date at each County Facility, Contractor shall provide the County with Support Services for MRI Equipment at each County Facility during and after Warranty period based on the manufacturer's warranty and/or the applicable negotiated Services Agreement between Contractor and manufacturer or manufacturer-approved third party vendor.
 - 1. Emergency Support: Emergency Support Services shall be provided in accordance with the applicable Service Agreements between Contractor and the appropriate original manufacturers covering the provision of emergency Repair Services and Support Services for the MRI Equipment. Contractor shall use reasonable commercial efforts to ensure that such Service Agreements provide for Emergency Support Services for Priority Level I Deficiencies on 24/7 basis (24 hours, seven days a week) and Support Services, including corrective maintenance, for Priority Level II and III Deficiencies to be performed Monday through Friday between 7:00 a.m. and midnight, excluding weekends and County holidays. Support Services may also be performed at other times as mutually agreed to by both County and Contractor.
 - 2. Support Services During and After Warranty Period: Contractor shall ensure that all Support Services for MRI Equipment, including the necessary repairs or replacements and related services available during and after Warranty Period, are provided in accordance with the applicable manufacturer's warranty and/or Service Agreement(s) between Contractor and manufacturer or manufacturer-approved third party vendor.

Contractor shall regularly update the County Facility Project Manager regarding the available Support Services, any issues related to Support Services and the estimated time-frame for completion of Support Services.

- B. MOBILE MRI UNITS: Notwithstanding limitations on the availability of Mobile MRI Units under applicable Warranties and Service Agreements and subject to Section VIII (Remedies), Contractor shall provide a Mobile MRI unit at no additional cost to the County for use at County Facility, within 24 hours of the MRI Equipment unavailability, provided that County shall, at its sole cost, provide a pad and related access to all necessary utilities as necessary for the operation of the Mobile MRI unit.

- C. MAINTENANCE LOG AND TRACKING DEFICIENCIES: Contractor shall utilize and maintain an Incident Tracking System (ITS) and shall track and report to County all Deficiencies including the associated Priority Levels identified in Section II.A (Deficiency Priority Levels), the date and time Deficiency was reported, the nature of the Deficiency, contact information, and any other information requested by County and agreed to by Contractor.

County will notify Contractor in writing of the names of all authorized personnel who will have access to Contractor's ITS. Contractor shall make ITS management reports and other applicable information reasonably available to the County.

- D. DAMAGE TO MRI EQUIPMENT: To the extent not otherwise covered by Warranty or Service Agreements, Contractor, at its sole cost, shall repair any damage to MRI Equipment, including hardware and software, provided by Contractor which results from, and to the extent of, Contractor's negligence or willful misconduct or other acts that are not directly caused by County under Section V.E (Negligence or Willful Misconduct of County) as promptly as reasonably possible, subject to any limitations under the Agreement and the terms relating to MRI Equipment set forth in this Exhibit D.
- E. NEGLIGENCE OR WILLFUL MISCONDUCT OF COUNTY: To the extent not otherwise covered by Warranty or Service Agreements, and subject to Paragraph 2 (Dispute Resolution Procedure) under Exhibit A (Additional Terms and Conditions), County shall reimburse Contractor for reasonable costs Contractor incurs to repair any damage to MRI Equipment, including hardware or software, provided by Contractor which directly results from, and to the extent of County's negligence, willful misconduct or acts inconsistent with Contractor's written instructions provided to the applicable County Facility Project Director or County Facility Project Manager.

VI. INTERFACES AND MODIFICATIONS

- A. PROGRAMMING AND MODIFICATIONS: Commencing from the first Go-Live date at a County Facility, Contractor shall provide up to 250 hours in the aggregate per year of programming, modifications, maintenance and support of Interfaces provided by or on behalf of Contractor. These hours will be initiated by written request from the County Facility Project Manager to Contractor prior to the commencement of work. Such written request shall document each segment of maintenance and support, including a not to exceed number of hours, prior to performing any segment of such work. All maintenance services shall follow the same testing methodology as stated in Tasks 4 (Acceptance Tests) of Exhibit A, Part III (Statement of Work – Information Technology). Contractor shall keep accurate reporting of all hours used, including the date of programming and modifications provided, description of service, number of hours used, County contact authorizing the work, and other information requested by County and agreed to by Contractor.

These hours will not roll over from year to year. Therefore, any portion of the 250 hours not used during the applicable annual period will be forfeited.

B. DEFICIENCY PRIORITY LEVELS – INTERFACES: The following Priority Levels for Deficiencies shall apply to Interfaces and shall not be subject to the 250 hours per year for programming and modifications identified in Section VI.A (Programming and Modifications) above:

Comment [VM1]: With the deletion of Pool Dollars, this Agreement does not provide for authority to pay for Interfaces and Modifications (including any related travel expenses).

| PRIORITY LEVEL | DESCRIPTION OF DEFICIENCY | CONTRACTOR SHALL USE REASONABLE BEST EFFORTS TO ACHIEVE THE FOLLOWING RESOLUTION TIMES |
|----------------|---|---|
| I. | Data or images from Interfaced System are not accessible by the MRI System or data from the MRI System is not updated in the Interfaced System. | Twenty-four (24) hours following County's report of the Deficiency to Contractor. |
| II. | A problem that critically or severely impacts accessibility or updating data or images from or in the MRI System or the Interfaced System. | Forty-eight (48) hours following County's report of the Deficiency to Contractor. Deficiencies which are initially assigned Priority Level II are subject to escalation by County. |
| III. | A problem that causes a minor impact on communication between the MRI System and an Interfaced System. The problem can cause some functional restrictions, but it does not have a critical or severe impact on operations. | Two (2) weeks following County's report of the Deficiency to Contractor. Deficiencies which are initially assigned Priority Level III are subject to escalation by County. |

VII. CORRECTION OF DEFICIENCIES

Contractor shall correct all Deficiencies identified by either County or Contractor during the Term of the Agreement. Contractor's response time and Resolution Time for correcting the Deficiencies shall depend on the applicable Priority Level of the Deficiency.

County will have appropriate resources available throughout the duration of each applicable Priority Level I or II Deficiency to provide reasonable cooperation and assistance to Contractor and will authorize immediate administrative rights, including but not limited to a local administrative account on the device being worked on, and network administrative access, up to potentially domain administrative privileges, and any other necessary access to devices or facilities that would help troubleshoot the issue at hand.

County may need to escalate a Priority Level Deficiency as described Section VI.B (Deficiency Priority Levels – Interfaces) above. At the time the Deficiency is escalated, an appropriate timeline for resolution will be developed and agreed to by both Contractor and County.

A. PRIORITY LEVEL I DEFICIENCIES: Contractor shall use reasonable, best efforts to acknowledge Priority Level I Deficiency as specified in Section VI.B (Deficiency Priority Levels – Interfaces) within one (1) hour from the time that the Deficiency was reported. In addition, Contractor shall promptly initiate the following procedures:

1. Assign a senior Contractor representative to diagnose and determine the course of action to resolve the Deficiency, including, as necessary, escalation of the Priority Level I Deficiency to any available resources within Contractor, such as senior support staff, system engineers and Contractor management. Contractor shall provide ongoing

communication on the status of the corrections and shall commence to develop a workaround or a fix and provide ongoing effort until such workaround or fix is available. Within three (3) hours of the Priority Level I Deficiency being assigned to a Contractor representative for diagnosis, County may contact Contractor to inquire about the status of resolution of the Priority I Deficiency.

2. If a Priority Level I Deficiency cannot be corrected within the prescribed Resolution Time, Contractor will communicate with County Facility Project Manager and provide an estimated time for completing the Deficiency. Both parties will work together to define an updated estimate for the time needed for resolution.

- B. PRIORITY LEVEL II DEFICIENCIES: Contractor shall use reasonable, best efforts to correct any Priority Level II Deficiency within the prescribed Resolution Time.

If the Priority Level II Deficiency cannot be corrected within the prescribed Resolution Time, Contractor will communicate with County Facility Project Manager, and provide an estimated time for completing the Deficiency. Both parties will work together to define an updated estimate for the time needed for resolution.

- C. PRIORITY LEVEL III DEFICIENCIES: Contractor shall provide reasonable, best efforts to correct any Priority Level III Deficiency within the prescribed Resolution Time.

If the Priority Level III Deficiency cannot be corrected within the prescribed Resolution Time, Contractor will communicate with County Facility Project Manager and provide an estimated time for completing the Deficiency. Both parties will work together to define an updated estimate for the time needed for resolution.

VIII. REMEDIES

A. MRI EQUIPMENT

1. County Facilities with One MRI Unit:

If Mobile MRI is not provided or MRI Equipment is not fully operational within twenty-four (24) hours, Contractor shall arrange and provide, at Contractor's sole expense, for the transportation of all patients requiring STAT studies to the nearest MRI location operated by Contractor until such time as the Mobile MRI is provided or MRI Equipment is fully operational. MRI scans produced during such period will be downloaded to the originating applicable County System according to Contractor's standard operating procedures.

If Mobile MRI is not provided or MRI Equipment is not fully operational within forth-eight (48) hours, Contractor shall arrange and provide, at Contractor's sole expense, for the transportation of all patients requiring MRI studies to the nearest MRI location operated by Contractor until such time as the Mobile MRI is provided or MRI Equipment is fully operational. MRI Scans produced during such period will be downloaded to the originating applicable County System according to Contractor's standard operating procedures.

2. County Facilities with Two MRI Units:

If one of the two MRI Units is likely not to be fully operational within twenty-four (24) hours, County and Contractor shall promptly meet and confer in good faith to determine whether the remaining MRI Unit is sufficient to meet patient needs or if a Mobile MRI should be provided pursuant to Paragraph VIII.A.1 (County Facilities with One MRI Unit) above. Contractor shall defer to the reasonable, good faith requests of County in this regard.

If it is determined that a Mobile MRI should be provided, then Contractor's obligations regarding such Mobile MRI shall be subject to the provisions of Section VIII.A.1 (County Facilities with One MRI Unit) above. If, however, it is determined that the remaining operational MRI Unit is sufficient to meet patient needs, Contractor shall not invoice County for any overtime costs resulting from backlogs, over-scheduling, rollovers or double-booking caused by unavailability of the Defective MRI Unit.

B. INTERFACES

If Interfaces provided by Contractor are not fully operational because of a malfunction of the Interface within twenty-four (24) hours, the Downtime Credits shall be calculated as set forth below:

1. For each Priority Level I Deficiency, Downtime Credits equal to Five Hundred Dollars (\$500) per day for each day, or portion thereof, one or more Priority Level I Deficiency continues beyond the applicable Resolution Time.
2. For each Priority Level II Deficiency, Downtime Credits equal to Two Hundred and Fifty Dollars (\$250) per day for each day, or portion thereof, one or more Priority Level II Deficiency continues beyond the applicable Resolution Time.

C. LIMITATIONS

Unless expressly stated otherwise in the Base Agreement, the remedies under this Section VIII are not available to the extent the Deficiency is the result of an event covered either by Paragraph V.E (Negligence or Willful Misconduct of County), above, or excluded from coverage under Paragraph 15.3 (Exclusions) of the Base Agreement.

MRI EQUIPMENT INVENTORY

I. HUMC

| Site Location | Item/Description | Serial Number |
|---------------|------------------|---------------|
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MRI EQUIPMENT INVENTORY

II. OVMC

| Site Location | Item/Description | Serial Number |
|---------------|------------------|---------------|
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MRI EQUIPMENT INVENTORY

III. RLANRC

| Site Location | Item/Description | Serial Number |
|---------------|------------------|---------------|
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MRI EQUIPMENT INVENTORY

IV. MLK

| Site Location | Item/Description | Serial Number |
|---------------|------------------|---------------|
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Harbor/UCLA Imaging Center
Equipment Configuration

Exhibit F-1
(Version I)

| | |
|----------------|---------------------|
| OEM | General Electric |
| Field Strength | 3.0T |
| Model | Signa HDx TwinSpeed |
| Channel | 16 |

Features:

| | |
|---------------------------|--|
| Gradient Strength | 23 mT/m (whole body) 50 mT/m (Zoom) |
| Slew Rate | 80 mTm/sec (whole body) 150 mTm/sec (Zoom) |
| Bore Diameter | 60 CM |
| Bore Length | 1.6M |
| Table Weight Limit | 350 LBS |
| Vibroacoustic Damping Kit | Gradient noise reduction |
| Dielectric PAD Set | Neck and Abdomen |

Software

| | |
|------------------------------------|---|
| PROPELLER HD | Report Card 3.0 (Cardiac) with AW Workstation |
| 3D Cosmic | 2D Myocardial Delayed Enhancement |
| 3D FLAIR | Fast Gradient Echo -ET |
| Diffusion Tensor Imaging | Double-Triple IR FSE |
| Fiber Trak | 2D FIESTA |
| PROBE 2D CSI Brain Spectroscopy | LAVA |
| PROBE-PRESS -STEAM SV Spectroscopy | MERGE |
| BREASE - Breast Spectroscopy | SmartPrep |
| VIBRANT-XV | SmartStep |
| Brain Wave Real time | Fluoro-Trigger MRA |
| FuncTools | 3D FIESTA |
| TRICKS | 3D FIESTA -C |
| T2 Cartigram | 3D FIESTA - FAT SAT |
| ConnectPro (Modality Worklist) | ASSET |
| Research Option | MRI Breast CAD 4.1 (Confirma) Converts to 5.0 |

Coils

OEM

| | |
|----------------------------------|--------|
| 16 Channel Head/Neck/Spine Array | USAI |
| 8 Channel Brain | Invivo |
| 8 Channel Neurovascular | Invivo |
| 8 Channel CTL | USAI |
| 8 Channel Cardiac Array | USAI |
| 8 Channel Torso Array | USAI |
| 3 Channel Shoulder Array | GE |
| 8 Channel Knee Array | Invivo |
| 8 Channel Foot/Ankle Array | Invivo |
| 8 Channel Wrist Array | Invivo |
| 16 Channel Breast with Biopsy | Invivo |

Ancillary Equipment

OEM

| | |
|---------------------------------------|---------------------------------|
| Power Injector - Spectris Solaris | Medrad |
| Physiological Multi-Parameter Monitor | Medrad |
| Breast CAD | Confirma (included in GE quote) |
| Vacuum Assisted Biopsy - Emerald | Hologic/Suros |
| MRI Compatible Infusion pump - 2 pump | Medrad |
| MRI Compatible Entertainment System | Newmatic Sound Systems |
| fMRI Visual System and response grips | NordicNeuroLab (NNL) |
| Misc. MRI compatible equipment | Magmedix |

All additional hardware referenced in Paragraph IV.A in Exhibit B, Part III, Attachment A-1.

Olive View Imaging Center
Equipment Configuration

Exhibit F-2
(Version I)

| | |
|----------------|-------------------------|
| OEM | Siemens Medical Systems |
| Field Strength | 1.5T |
| Model | Avanto SQ I-Class |
| TIM Type | 76x32 |
| Channel | 32 |

Features:

| | |
|--------------------|-------------|
| Gradient Strength | 45 mT/m |
| Slew Rate | 200 mTm/sec |
| Bore Diameter | 60 CM |
| Bore Length | 1.50M |
| Table Weight Limit | 440 LBS |

Software

| | |
|---------------------------------------|--------------------------------|
| Neuro Suite | 3D PACE Evaluation |
| Cardiac Suite | SPACE |
| Ortho Suite | Advanced cardiac |
| Body Suite | Flow Quantification |
| Onco Suite | Argus 4D Ventricle Function |
| Breast Suite | iPat extensions |
| Scientific Suite | TWIST |
| Angio Suite | Diffusion Imaging |
| Pediatric Suite | Inline Diffusion |
| Single Voxel Spectroscopy | Diffusion tensor Imaging (DTI) |
| Chemical Shift Imaging | DTI evaluation |
| Spectroscopy Evaluation | DTI Tractography |
| Advanced High Order Shim | Inline Perfusion |
| Susceptibility Weighted Imaging (SWI) | |
| BLADE | |
| BOLD including Inline BOLD | |
| 3D PACE | |

Coils

OEM

| | |
|--------------------------------|---------|
| 12 Channel Head | Siemens |
| 4 Channel Neck | Siemens |
| 16 Channel Neurovascular | Siemens |
| 24 Channel Spine | Siemens |
| Body Matrix X 2 Coils | Siemens |
| PA Matrix | Siemens |
| 4 Channel Flex (Large & Small) | Siemens |
| Loop Flex - Large | Siemens |
| Loop Flex - Small | Siemens |
| Shoulder Array | Siemens |
| 8 Channel Foot/ankle | Invivo |
| 8 Channel Knee | Invivo |
| 8 Channel Wrist | Invivo |
| 7 Channel Breast | Invivo |

Hardware/Equipment

OEM

| | |
|--------------------------------|---------|
| Coil Storage cart | Siemens |
| Technologists work table | Siemens |
| Wizard workstation | Siemens |
| Powerware conditioner | TBD |
| Powerware cord | Siemens |
| Chiller | TBD |
| UPS Cable | Siemens |
| Cable set | Siemens |
| Venting Kit | Siemens |
| Armrest | Siemens |
| Syngo Multi-modality workplace | Siemens |
| Leonardo Radiology MR | Siemens |

Ancillary Equipment

OEM

| | |
|---------------------------------------|------------------------|
| Power Injector - Spectris Solaris | Medrad |
| Physiological Multi-Parameter Monitor | Medrad |
| Breast CAD (DynaCAD) | Invivo |
| Vacuum Assisted Biopsy - Sapphire | Hologic/Suros |
| MRI Compatible infusion pump - 2 pump | Medrad |
| MRI Compatible Entertainment System | Newmatic Sound Systems |
| Misc. MRI compatible equipment | Magmedix |

All additional hardware referenced in Paragraph IV.C in Exhibit B, Part III, Attachment A-1.

**Rancho Los Amigos Imaging Center
Equipment Configuration**

Exhibit F-3
(Version I)

| | |
|-----------------------|---------------------|
| OEM | General Electric |
| Field Strength | 1.5T |
| Model | Signa HDx EchoSpeed |
| Channels | 8 |

Features:

| | |
|---------------------------|--------------------------|
| Gradient Strength | 33 mT/m |
| Slew Rate | 120 mTm/sec |
| Bore Diameter | 60 CM |
| Bore Length | 1.6M |
| Table Weight Limit | 350 LBS |
| Vibroacoustic Damping Kit | Gradient noise reduction |

Software

| |
|--------------------------------|
| PROPELLER HD |
| 3D COSMIC |
| Diffusion Tensor Imaging (DTI) |
| Fiber Trak |
| TRICKS |
| LAVA |
| Smartprep |
| SmartStep |
| Fluorotrigger MRA |
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Coils

OEM

| | |
|--------------------------|--------|
| 8 Channel Brain | Invivo |
| 8 Channel NVA | Medrad |
| 8 Channel CTL | USAI |
| 8 Channel Torso Array | USAI |
| 3 Channel Shoulder Array | GE |
| 8 Channel Knee | Invivo |
| 8 Channel Foot/ankle | Invivo |
| 8 Channel Wrist | Invivo |

Ancillary Equipment

OEM

| | |
|---------------------------------------|------------------------|
| Power Injector - Spectris Solaris | Medrad |
| Physiological Multi-Parameter Monitor | Medrad |
| MRI Compatible infusion pump - 2 pump | Medrad |
| MRI Compatible Entertainment System | Newmatic Sound Systems |
| Misc. MRI compatible equipment | Magmedix |

All additional hardware referenced in Paragraph IV.D in Exhibit B, Part III, Attachment A-1.

**MLK
Equipment Configuration**

Exhibit F-4
(Version I)

| | |
|-----------------------|---------------------|
| OEM | General Electric |
| Field Strength | 1.5T |
| Model | Signa HDx EchoSpeed |
| Channel | 8 |

Features:

| | |
|---------------------------|--------------------------|
| Gradient Strength | 33 mT/m |
| Slew Rate | 120 mTm/sec |
| Bore Diameter | 60 CM |
| Bore Length | 1.6M |
| Table Weight Limit | 350 LBS |
| Vibroacoustic Damping Kit | Gradient noise reduction |

Software

| |
|-------------------|
| PROPELLER HD |
| 3D COSMIC |
| TRICKS |
| LAVA |
| Smartprep |
| SmartStep |
| Fluorotrigger MRA |
| |
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Coils

OEM

| | |
|--------------------------|--------|
| 8 Channel Brain | Invivo |
| 8 Channel NVA | Medrad |
| 8 Channel CTL | USAI |
| 8 Channel Torso Array | USAI |
| 3 Channel Shoulder Array | GE |
| 8 Channel Knee | Invivo |
| 8 Channel Foot/ankle | Invivo |
| 8 Channel Wrist | Invivo |

Ancillary Equipment

OEM

| | |
|---------------------------------------|------------------------|
| Power Injector - Spectris Solaris | Medrad |
| Physiological Multi-Parameter Monitor | Medrad |
| MRI Compatible infusion pump - 2 pump | Medrad |
| MRI Compatible Entertainment System | Newmatic Sound Systems |
| Misc. MRI compatible equipment | Magmedix |

All additional hardware referenced in Paragraph IV.B in Exhibit B, Part III, Attachment A-1.

MRI EQUIPMENT INVENTORY

V. LAC+USC

| Site Location | Item/Description | Serial Number |
|---------------|------------------|---------------|
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